



INSPIRE SUPPORT TEACH

FINANCE POLICY 2020

Signed: _____ **on behalf of Trustees**

Date: _____

INCLUSIVE SCHOOLS TRUST

Finance Policy

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1. Introduction & Legal Framework

- 1.1 It is important for Inclusive Schools Trust to demonstrate that they do not benefit personally from decisions they make with regards to the spending of public money. To ensure that the financial standing of the Multi-Academy Trust (MAT) cannot be brought into disrepute, this policy will be implemented by all schools within the MAT, guaranteeing consistency in financial procedures across the Trust.
- 1.2 This policy applies to all employees in the MAT, as well as services and goods sourced from external agencies, such as contractors and caterers.
- 1.3 The MAT takes its responsibility for handling public funds with the utmost importance and strives to continuously provide a high-quality education and safe learning environment, whilst having a strong financial standing.
- 1.4 This policy has due regard to legislation and statutory guidance, in particular, the Academies Financial Handbook.
- 1.5 This policy operates in conjunction with the following policies: -
 - Anti-Fraud & Corruption Policy
 - Business Continuity Plan
 - Connected & Related Party Policy
 - Recommended Supplier Policy
 - Reserves & Investment Policy
 - Risk Management Strategy Policy
 - Scheme of Delegation

2. Roles and Responsibilities

- 2.1 Inclusive Schools Trust Members are responsible for:
 - Appointing the trust's auditors and receiving the Trust's audited annual accounts.
 - Conducting the business of the trust in accordance with company and charity law and adhering to the trust's funding agreement with the Secretary of State.
- 2.2 Inclusive Schools Trust Trustees are responsible for:
 - Applying the highest standards of conduct and governance and taking full ownership of their duties.
 - Overseeing the financial performance of the Trust.
 - Ensuring that the Trust's practices reflect the 'seven principles of public life' (selflessness, integrity, objectivity, accountability, openness, honesty and leadership).
 - Ensuring that funds are received according to the funding agreements with the DfE and are used only for the purposes intended.

- Ensuring that the trust complies with any financial notices to improve (FNtl) issued to it by the ESFA and that these are published on the Trust's website within statutory timeframes.
- Approving the annual budget for the Trust and each school.
- Ensuring the Trust has sound internal control, risk management and assurance processes.
- Ensuring that their decisions about levels of executive pay, including salary and benefits, follow a robust evidence-based process and are a reasonable and defensible reflection of the individual's role and responsibilities.
- Overseeing the financial performance of the organisation and making sure its money is well spent.
- Approving the MAT's three-year financial plan.
- Ensuring an appropriate scheme of delegation is in place.
- Ensuring assets are effectively managed.
- Approving purchase orders, invoices and contracts in accordance with the Procurement & Tendering Policy (Appendix 5).
- Ensuring accurate accounting records are maintained.
- Ensuring regularity and propriety in use of the MAT's funds, and achieve economy, efficiency and effectiveness.
- Appointing an audit committee to advise on the adequacy of financial and other controls and risk management arrangements, direct a programme of internal scrutiny, and consider the results and quality of external audit.
- Receiving the annual audit report.
- Approving severance and compensation payments up to £50,000, after which they must seek the ESFA's approval.
- Approving property lettings.
- Appointing, in writing, a senior executive leader who may be appointed as a trustee.
- Appointing an appropriate accounting officer (the senior executive leader).
- Appointing an appropriately qualified and/or experienced CFO.
- Referring to the competency framework for governance to determine if any skills gaps are apparent and taking steps to mitigate these.
- Appointing the Headteacher for each school.
- Referring and adhering to the six features of effective governance as set out in the 'Governance handbook'.
- Keeping the trust's approach to internal scrutiny under review, considering any changes to the trust's size, complexity or risk profile.
- Taking advice from the audit committee and ensuring there is an appropriate, reasonable and timely response by the trust's management team to findings by auditors, taking opportunities to strengthen systems of financial management and control.

2.3 A list of all Members & Trustees, including their membership of committees, can be found on the Inclusive Schools Trust Website. Terms of Reference for committees

can be found within the scheme of delegation on the Inclusive Schools Trust website.

2.4 The Trust Board delegate responsibility for the day-to-day management of the Trust to the Accounting Officer who, whilst retaining overall responsibility for the financial management of the Trust, delegates in turn certain functions to the Chief Financial Officer (CFO)

2.5 The accounting officer is responsible for:

- Sharing the ESFA's 'Dear Accounting Officer' letter with the members, trustees, the CFO and other members of the Senior Leadership Team (SLT), arranging for it to be discussed by the board of trustees and taking action, where appropriate, to strengthen the trust's financial systems and controls.
- Achieving value for money and the best possible educational outcomes through the economic, efficient and effective use of resources.
- Ensuring regularity when dealing with items of income and expenditure in accordance with legislation, the Trust's Memorandum and Articles of Association, the terms of the trust's funding agreements with the DfE and the 'Academies financial handbook' (AFH), and with the trust's internal procedures.
- Ensuring propriety with regards to expenditure and receipts, including standards of conduct, behaviour and corporate governance.
- Completing and signing a statement of regularity, propriety and compliance each year and submitting this to the ESFA with the audited accounts.
- The trust's financial affairs.
- Keeping full and accurate financial records.
- The management of opportunities and risks.
- Assuring the board of trustees that the trust is compliant with the Trust's Memorandum and Articles of Association, the funding agreements with the DfE and the AFH.
- Informing the board of trustees, in writing, of any action or policy under consideration that is incompatible with the terms of the Memorandum and Articles of Association, the funding agreements with the DfE or the AFH.
- Informing the ESFA, in writing, where they have advised the board of trustees that they are in breach of the Memorandum and Articles of Association, the funding agreements with the DfE of the AFH but the board has continued with their actions.

2.6 The CFO is responsible for:

- Acting as the principal finance officer for the MAT.
- Ensuring that the MAT's financial position is managed at a strategic level within the framework for financial control determined by the board of trustees.
- Ensuring that all financial matters focus on the wider needs of the MAT, rather than on any individual school.

- Working with internal auditors to provide assurance to the Finance, Audit & Risk Committee and the board of Trustees.
- Ensuring the annual accounts are properly presented and adequately supported by the underlying books and records of the MAT.
- Challenging finance staff to ensure that value for money is routinely obtained.
- Ensuring effective financial policies are in place across the MAT.
- Ensuring that forms and returns for the MAT are sent in line with statutory timeframes.
- Compiling budgets for the Trust and assisting with the preparation of budgets for all schools within the Trust.
- Monitoring budgets on a monthly basis and providing the Finance, Audit and Risk committee with monitoring information including committed expenditure and a written commentary.
- Liaising with SLT and finance staff of each school regarding financial matters.

2.7 Responsibilities of the MAT's Finance, Audit and Risk committee are set out within the Terms of Reference which form part of the Trust's Scheme of Delegation. The Finance, Audit and Risk committee are responsible for:

- Reviewing the budgets for the Trust, each School within the Trust and the three-year financial plan, as well as making recommendations to the board regarding these key documents.
- Regularly monitoring expenditure and income against the budget.
- Approving the mandates for the operation of academy bank accounts and credit cards.
- Ensuring appropriate insurance arrangements are in place for the MAT.
- Implementing appropriate accounting policies.
- Ensuring an appropriate framework of internal financial controls is established.
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and related ESFA guidance.
- Authorising changes to the personnel of each school, which are outside of the agreed school structure or a member of the SLT.
- Writing off bad debts over £100.
- Acting as the audit committee for the MAT and reviewing reports on the effectiveness of the financial procedures and controls of the MAT and its constituent schools.
- Authorising the disposal of assets.
- Authorising expenditure in accordance with the Procurement and Tendering Policy (Appendix 5).
- Ensuring the trust's annual summary report of the areas reviewed, key findings, recommendations and conclusions is submitted to the ESFA each year, and providing additional internal scrutiny reports if requested.

- Directing the trust's programme of internal scrutiny and reporting to the board on the adequacy of the Trust's financial and other controls and management of risks.

2.8 The clerk to the board of trustees is responsible for:

- Ensuring the efficient functioning of the board of trustees by providing:
 - Administrative and organisational support:
 - Guidance to ensure the board works in compliance with the appropriate legal and regulatory framework, and understands the potential consequences of non-compliance;
 - Advice on procedural matters relating to the operation of the board.

2.9 The Partnership Head/Headteacher/Head of School of each school is responsible for:

- Ensuring budgetary control within approved budgets.
- Authorising contracts and orders, in accordance with the authorisation levels determined within this policy and in line with the Procurement and Tendering Policy (Appendix 5).
- Authorising payments from the school's bank account and BACS payments.
- Signing cheques in accordance with the bank mandate.
- Approving new staff appointments, except for members of SLT and those outside of the school's structure.

2.10 The Finance Officer (or equivalent) of each school is responsible for:

- Managing day-to-day financial issues, including the operation of the accounting system.
- Maintaining effective internal controls.
- Managing their schools financial position at a strategic and operational level.
- Drafting original and revised budgets in cooperation with the Partnership Head/Headteacher/Head of School and with the support of the CFO.
- Maintaining the accounting records.
- Ensuring that purchase orders are raised prior to ordering goods/services, wherever possible, to aid effective budget monitoring and management.
- Ensuring that payments are made to suppliers within agreed payments terms.
- Monitoring the budget on a monthly basis.
- Ensuring the monthly completion of bank and other reconciliations.
- Monitoring cash flow during the month and liaising with the CFO regarding this, where necessary.
- Managing and processing online payments and payroll, subject to appropriate authority.
- Ensuring that proper checks and controls are in place to cover day-to-day activities.
- Ensuring VAT is correctly accounted for.

3. Financial Oversight

- 3.1. The MAT takes full responsibility for its financial affairs and uses resources to maximise pupils' outcomes.
- 3.2. The board of trustees meets six times a year.
- 3.3. The Finance, Audit & Risk committee meets monthly in term time
- 3.4. Where the board of trustees meets less than six times a year, it will explain in its governance statement how effective oversight of funds was maintained.
- 3.5. Constituent schools joining the trust will be asked to complete a financial management and governance self-assessment.

4. Budget Setting

- 4.1. The budget is a working document which will be revised throughout the year as circumstances change. All budgets and revisions will be reported to the Finance, Audit & Risk committee and approved by the board of Trustees.
- 4.2. The budget planning process follows an annual planning cycle and consists of the following four phases: Planning, Budget setting, Monitoring, Review.
- 4.3. The budget process takes the following elements into account:
 - Forecasts of likely pupil numbers to estimate the amount of DfE grant available.
 - Review of other income sources.
 - Review of past performance against budgets.
 - Identification of potential efficiency and budget containment actions.
 - An annual review of expenditure headings to reflect known changes and expected variations in costs, such as pay increases, inflation or other anticipated changes.
- 4.4. When reviewing and approving budgets for the trust, the board of trustees ensures the following:
 - That budget forecasts, for the current year and beyond, are compiled accurately based on realistic assumptions and are reflective of lessons learned from previous years.
 - Pupil number estimates are challenged and that these underpin revenue projections.
 - An integrated approach to curriculum and financial planning is taken.
- 4.5. Each school within the MAT will have an independent budget.
- 4.6. A balanced budget for the forthcoming financial year must be approved by the board of trustees, and this approval will be minuted.

- 4.7. The annual budget will reflect the best estimate of the resources available to the MAT for the forthcoming year and will detail how those resources will be utilised, establishing clear links to support the objectives identified in school development plans.
- 4.8. Both medium-term and short-term financial plans are prepared for the MAT and each of the schools in the MAT.
- 4.9. The medium-term plan indicates how the MAT's and each school's educational aims and other objectives are going to be achieved within the expected level of resources over the next three years.
- 4.10. The school improvement and development plan and premises development plan provide the framework for the annual budget.
- 4.11. Once budgets are agreed, this will be communicated to all responsible budget holders to ensure they are aware of the overall budgetary constraints.
- 4.12. The board of trustees will notify the ESFA within 14 calendar days of proposing to set a deficit revenue budget.

5. Budget management and monitoring

- 5.1. To implement a smooth-running planning process, the CFO will create a budget timetable which outlines when revisions will take place.
- 5.2. A continuous review of the aims and priorities of the strategy will be undertaken based on the monitoring and analysis of performance.
- 5.3. Each school is responsible for monitoring income and expenditure for their school against the budget throughout the year.
- 5.4. A three-year budget forecast will be prepared when the budget for the current financial year is being set.
- 5.5. The CFO will prepare monthly management accounts, setting out the trust's financial performance and position and including an income and expenditure account, variation to budget report, cash flows and balance sheet. The accounts will be shared with the Chair of Trustees every month and with other Trustees six times a year.
- 5.6. The board of trustees will consider the management accounts when it meets and will ensure appropriate action is being taken to maintain financial viability.
- 5.7. The board of trustees will select key financial performance indicators and measure its budgetary performance against these regularly.

- 5.8. Any potential overspend against the budget will be discussed with the CFO before receiving approval.
- 5.9. The monitoring process will be effective and timely in highlighting variances in the budget so that differences can be investigated, and action taken where appropriate.
- 5.10. The Finance, Audit & Risk committee will continually monitor the quality of the financial information presented to them to ensure that what is provided remains appropriate, particularly in terms of its timing, level of detail and narrative.
- 5.11. The trust will submit the following returns to the ESFA:
 - A budget forecast return outturn by 21 May
 - A three-year budget forecast return by 30 July

The returns will be approved by the board of trustees before submission to the ESFA.

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

6. Financial Accounting System

- 6.1. The Trust uses Star Academy accounting system and all financial transactions must be recorded using this system.
- 6.2. Access rights within Star Academy are defined for each user with a unique ID and password and only authorised staff will be permitted access to the accounting records which should be securely retained when not in use.
- 6.3. Authorisation and supervisory controls should be adequate to ensure transactions are properly recorded or that errors are identified.
- 6.2. There must be a clear audit trail for all financial transactions from the original documentation to accounting records.

7. Cash management

- 7.1. The trust has robust procedures in place to manage its cash position and will avoid becoming overdrawn.
- 7.2. The Finance Officer (or equivalent) of each school will monitor their cash flow and the CFO will prepare cash flow forecasts to ensure that the MAT has sufficient funds available to cover day-to-day operations.

- 7.3. The Finance Officer (or equivalent) of each school will record all transactions regarding cash flow for their school and the CFO will record transactions for the MAT.
- 7.4. When producing cash flow forecasts, if significant balances can be foreseen, steps will be taken to invest the surplus funds.
- 7.5. All cheques and other instruments authorising withdrawal from any of the MAT's bank accounts will bear authorising signatures/electronic signatures in line with the authorised signatories (Appendix 6).
- 7.6. No debit cards are linked to either the school or MAT bank account.
- 7.7. Credit cards are issued in accordance with the School Credit Card Policy see point 7.14 and Appendix 7.
- 7.8. No petty cash is held within the MAT.

8. Purchasing, procurement and returns

- 8.1. All schools within the MAT will act in accordance with the MAT's Procurement and Tendering Policy (Appendix 5).
- 8.2. The Trust demonstrates value for money through competitive tendering when appropriate or by using ESPO or other approved purchasing arrangements.
- 8.3. The Partnership Head/Headteacher/Head of School is the budget holder for each school and their approval will be sought for any purchases or tenders in relation to their school.
- 8.4. Prior approval of the Trustees is obtained for any expenditure in excess of £2,500 (net of VAT). Orders are not artificially split to evade this limit
- 8.5. Contract specifications will contain the following:
 - contract duration
 - definitions
 - contract objectives
 - services to be provided
 - service quantity
 - service quality standards
 - contract value and payment arrangements
 - information and monitoring requirements
 - procedure for disputes
 - review and evaluation requirements

- 8.6. The official pre-numbered orders are used for all services except utilities, rent, rates and any payments due under a loan/lease agreement. Any urgent verbal order is confirmed by a written order.
- 8.7. Individuals will not use official orders to obtain goods or services for themselves.
- 8.8. All orders are signed by an authorised signatory and the Trust maintains an up-to-date list of signatories. (See Appendix 6 attached).
- 8.9. The signatory will be satisfied that the goods or services are appropriate and necessary, that competitive tenders have been obtained where necessary and that there is sufficient budgetary provision.
- 8.10. Each order placed is entered into the financial system as a commitment.
- 8.11. Goods received are checked against the delivery note and the delivery note is checked against the invoice. The invoice is also checked against the order. Evidence of this is provided by the use of an invoice check stamp/sheet. The other checks indicated on the stamps/sheets are also carried out. These checks are not done by the person who signed the order.
- 8.12. Payment is made within the agreed time limits after certification by an approved signatory.
- 8.13. Wherever possible, an invoice is not authorised for payment by the person who signed the order nor by the person who checked receipt of goods/services. Payment is only made against the original supplier's invoice and not on a statement.
- 8.14. Credit cards:
 - i) Authorised users are agreed by the Finance, Audit and Risk Committee and a log maintained by the Chief Financial Officer.
 - ii) The card credit limit is approved for each school by the Finance, Audit and Risk Committee.
 - iii) Each cardholder signs a "Conditions of Use form" which are retained by the Chief Financial Officer. (See appendix 7 for proforma form).

The Chief Financial Officer or individual school Finance Officer shall monitor the monthly credit card transactions. Receipts for all goods purchased should be provided to the person responsible for recording card transactions as soon after each purchase as is reasonably practical.

Transactions should be logged on a monthly transactions sheet, entered on the finance system, ensuring VAT is accounted for if applicable, and reconciled to the monthly credit card statements.

- 8.15. To maintain integrity concerning the use of public funds, the following general principles will be adhered to:
- Probity – it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the MAT.
 - Accountability – the MAT is publicly accountable for its expenditure and the conduct of its affairs.
 - Fairness – all tenders dealt with by the MAT are done so fairly and equally.

9. Income

- 9.1. The main source of income for the MAT and its schools is through the grants received from the ESFA.
- 9.2. The CFO monitors the receipt of grants, ensuring that all grants due to the academies within the MAT are appropriately collected.
- 9.3. Other sources of income include but are not limited to
- Local authority income for Nursery Funding and SEND
 - Grants from various awarding bodies
 - Letting income from community users
- 9.4. The MAT collects income from parents via a number of methods including, but not limited to, the following:
- School meals
 - Trips and residential visits
 - Book bags and uniform
 - Additional nursery places
 - Breakfast and after school club
- 9.5. The Finance, Audit & Risk Committee approves the Trust's charging policy and reviews it annually. The charging policy is attached to this document. (See Appendix 3 attached).
- 9.6. Proper records of all income due are kept. Lettings are approved in accordance with the Trust's policy. The lettings policy is attached to this document. (See Appendix 8 attached).
- 9.7. Wherever possible, the responsibility of identifying and recording sums due is separated from the responsibility for collecting and banking income.
- 9.8. For debtor's invoices raised on the accounting system, official pre-numbered receipts are issued. For all other cash collected receipts are issued if requested with the exception of a residential school trip where a collection record card is issued to a pupil for instalment payments. Other formal documentation is kept for other income.

- 9.9. Pending banking, cash and cheques are locked away in a secure place or safe, as per insurance limits.
- 9.10. Income is banked promptly and in full. Paying-in slips show the analysis between cash and cheques and cheques are individually listed. Income is not used for making any payment or for cashing personal cheques.
- 9.11. Income recorded in the accounts is reconciled monthly with the bank statement.
- 9.12. Where invoices are required, they are issued within 30 days.
- 9.13. For any unpaid invoices the MAT adheres to the Bad debt policy (Appendix 1)
- 9.14. Any cash transfers between staff are recorded and signed for.

10. Banking

- 10.1. The Academy banks with Lloyds Bank.
- 10.2. Bank reconciliations are completed monthly and any discrepancies resolved.
- 10.3. The reconciliation statement is signed by the person undertaking the reconciliation and reviewed and countersigned by someone who understands the process.
- 10.4. Staff must never use their private bank accounts for any receipt due to the Trust or individual school's budget. Staff must not use their private bank account for payments from the budget unless in exceptional circumstances where prior authorisation must be sought from an authorised signatory.
- 10.5. The Trust's banker has been advised that the Trust is not allowed to go overdrawn or negotiate overdraft facilities without specific agreement from the Secretary of State.
- 10.6. The Trust is not allowed to enter any loan agreement except with the prior agreement with the Secretary of State.
- 10.7. Each cheque/BACS run is signed by two authorised signatories and supporting vouchers are made available to each signatory to safeguard against inappropriate expenditure. Cheques are not pre-signed. Only manuscript signatures are allowed, i.e. not electronic or from rubber stamps.
- 10.8. All cheques are crossed "account payee". Cheque books are stored securely when not in use.

11. Voluntary Funds

- 11.1. The School Fund Account is accounted for on a specific nominal code within the finance system.
- 11.2. The same standards that apply to the delegated budget apply to the voluntary funds.
- 11.3. Only income unconnected with the delegated budget is credited to the school fund nominal code. Any income properly belonging to the delegated budget is credited to the delegated budget.

12. Investments

- 12.1. Where the board of trustees wishes to make investments to further the trust's charitable aims, it will ensure that investment risks are properly managed.
- 12.2. When considering an investment, the board will:
 - Act within its powers to invest as set out in the articles of association
 - Act in line with the trust's Investment Policy and review this policy on a regular basis.
 - Ensure value for money.
 - Take advice from professional advisers where appropriate.
 - Ensure that exposure to investment products is tightly controlled so that security of funds takes precedence over revenue maximisation.
 - Ensure investment decisions are in the best interests of the MAT.
- 12.3. Prior approval will be sought from the ESFA before all investment transactions that are novel, contentious and/or repercussive, regardless of value.

13. Borrowing & Debt

- 13.1. Prior approval will be obtained from the ESFA before borrowing from any source, where such borrowing will be repaid from grant monies or secured on assets funded by grant monies.
- 13.2. Credit cards will only be used for business expenditure.
- 13.3. Payment via credit card requires the same authorisation as that of cheques.
- 13.4. Credit card balances will be cleared before any interest accrues.
- 13.5. The trust will prepare and monitor financial plans to ensure ongoing financial health.

14. Assets

- 14.1. A full inventory of all items with a value in excess of £100 is maintained at each school. Those that are portable, valuable and desirable are security marked.
- 14.2. The Fixed Asset register consists of a list of items (or a specific group of items purchased within the account period) valued over £2,000 that are considered to have a life longer than the financial year they were purchased in. Please refer to the Fixed Asset Policy attached at Appendix 9.
- 14.3. In accordance with the Anti-Fraud & Corruption Policy, the Trust maintains a Gift Register of all donations to the Trust either in cash or kind.
- 14.4. The trust will obtain prior approval from the ESFA for the following transactions:
- Acquiring a freehold of land or buildings
 - Disposing of a freehold of land or buildings
 - Disposing of heritage assets, as defined in financial reporting standards, beyond any limits in the trust's funding agreement for the disposal of assets generally
- 14.5. Other than the transactions outlined in 13.4, the trust does not need the ESFA's approval to dispose of any other fixed assets.
- 14.6. Any disposal will maintain the principles of value for money, regularity and propriety. The policy for redundant equipment (Appendix 2) will be adhered to.
- 14.7. The board of Trustees will refer to the DfE's 'Good estate management for schools' guidance to help them to manage capital assets and budgets.

15. Leasing

- 15.1. For the purpose of this policy, there are two types of lease:
- Finance lease – a form of borrowing
 - Operating lease – not a form of borrowing
- 15.2. The trust will obtain prior approval from the ESFA for the following lease transactions:
- Taking up a finance lease on any class of asset for any duration from another party.
 - Taking up a leasehold or tenancy agreement on land or buildings from another party for a term of seven or more years.
 - Granting a leasehold interest, including a tenancy agreement, of any duration, on land and buildings to another party.
- 15.3. Any lease will maintain the principles of value for money, regularity and propriety.

16. Related Party Transactions

- 16.1. All schools within the MAT will act in accordance with the Connected & Related Parties Policy and adhere to the AFH.
- 16.2. The Accounting Officer maintains a Register of Business Interest for Trustees and for staff who influence financial decisions. Please refer to Appendix 4 for the definitions of Business and Pecuniary interests and pro forma Business Interests Form.

17. Payroll

- 17.1. Payroll forms the largest element of the school budget and it is, therefore, essential that financial procedures and internal controls in relation to payroll are properly implemented.
- 17.2. Inclusive Schools Trust outsources its payroll function to Educator Solutions.
- 17.3. All payroll transactions relating to MAT staff, permanent or casual, will be processed through the payroll system. Payments for employment will not be made through any other mechanism.
- 17.4. Personnel procedures, including appointments, promotions and terminations are supervised by the Trust Board.
- 17.5. The Accounting Officer ensures that the duties of authorising any variations to the payroll are separated from the processing of claims.
- 17.6. The Accounting Officer ensures that at least two people are involved in completing, checking and authorising any variations to payroll, whether temporary or permanent, and the payment of expenses.
- 17.7. Names of authorised personnel have been sent to the payroll provider who will be promptly notified of any changes.
- 17.8. Only the following staff are authorised to access personnel records: -CEO, CFO, Partnership Head, Headteacher, Head of School, Finance Officer & School Administrator.
- 17.9. Arrangements have been made for staff to access their own records. These are by arrangement with the CEO, Partnership Head, Headteacher or Head of school.
- 17.10. The Chief Financial Officer maintains an up-to-date list of teachers and other staff employed at the Trust and each school.
- 17.11. The monthly reports on payroll transactions are checked against the budget.

17.12. Payments can be made to individuals on production of an invoice. An enquiry must be carried out using the check employment status for tax tool.

<https://www.gov.uk/guidance/check-employment-status-for-tax> The generated result must be logged and a copy given to the individual. If the enquiry shows that the payment cannot be made to the individual via the invoice produced, the individual should be paid via the Trust's payroll provider.

18. Executive Pay

18.1. The board of trustees will ensure that executive pay and benefits, follow a robust evidence-based process and are a reasonable and defensible reflection of the individual's role and responsibilities.

18.2. The board of trustees has designated the setting and monitoring of executive pay to the Performance Management Committee which in accordance with the IST scheme of delegation is a sub- committee consisting of three Finance, Audit & Risk committee Trustees.

18.3. No individual will be involved in deciding their salary.

18.4. The board of trustees will discharge its responsibilities effectively, ensuring its approach to pay and benefits is transparent, proportionate and justifiable, including:

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

18.5. Information about the gender pay gap in the MAT is published on the trust's website and on the government's reporting website (<https://www.gov.uk/report-gender-pay-gap-data>).

19. VAT procedures

19.1. The MAT is not VAT registered however under legislation, it is eligible to reclaim VAT on expenditure which supports the MAT's core business purposes. An adjustment is made for purchases relating to business activity outside of its core purpose.

19.2. Proper VAT invoices are obtained for all transactions involving VAT.

19.3. A report is run for each of the schools within the MAT by the CFO to provide the data necessary for the completion of the VAT reclaim form.

19.4. VAT is reclaimed monthly

19.5. On receipt of the reclaimed VAT from HMRC, the CFO will review the remittance, confirm whether this equals the claim made and reimburse the individual schools accordingly, seeking approval from the CEO for the transfer of funds.

20. Risk management

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

21. Insurance

21.1. The MAT will have adequate insurance cover in compliance with its legal obligations or will become a member of the academies risk protection arrangement.

21.2. The Trust reviews all risks annually to ensure that the cover available and the sums insured are adequate.

21.3. The Trustees consider whether to insure against any uncovered risks.

21.4. The Trust will notify its insurers of any new risks or any other alterations affecting existing insurance.

21.5. The Trust will not give any indemnity to a third party.

21.6. The Trust will immediately advise its insurers of any accident, loss or other incident which may give rise to an insurance claim.

- 21.7. Insurance will cover the use of Trust property when off the premises, e.g. musical instruments/computers.
- 21.8. The Trust should not knowingly do anything whereby any policy of insurance relating to the Land may become void or voidable.
- 21.9. The Trust should insure against liability in respect of property owners and third party risks including occupier's liability.

22. Special Payments

- 22.1. For the purpose of this policy, special payments include:
- Staff severance payments.
 - Compensation payments.
 - Ex gratia payments.
- 22.2. Where the MAT considers making a staff severance payment above statutory or contractual entitlements, the following factors will be considered prior to making the commitment:
- The proposed payment is in the interest of the trust.
 - The payment is justified, based on legal assessment of the chances the trust will successfully defend the case at employment tribunal.
 - The level of settlement is less than the legal assessment of what the relevant body will award.
- 22.3. Under no circumstances will the MAT make severance payments where the money could be interpreted as a reward for insubordination or failure.
- 22.4. For severance payments equal to or greater than £50,000, the MAT will seek prior approval from the ESFA. The ESFA will refer the transaction to HM Treasury so the trust will allow sufficient time for this to be considered.
- 22.5. Value for money will be shown for all severance payments.
- 22.6. Compensation payments will take account of the facts of the matter ensuring value for money is achieved.
- 22.7. For compensation equal to or greater than £50,000, prior approval from the ESFA will be sought.
- 22.8. The MAT will consider whether cases reveal concerns pertaining to the effectiveness of internal control.
- 22.9. Ex gratia payments will always be referred to the ESFA for approval.

23. Annual accounts

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

23.2. The audited accounts will be:

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

23.3. All copies of the accounting audit will be stored and filed securely.

24. Auditing

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

- Clearly communicated procedures, structures and training of staff.
- Appropriate day-to-day supervision and checks by management.
- Internal scrutiny overseen by the Finance Audit & Risk committee.
- External audit and assurance.

24.2. Internal scrutiny will be conducted within the MAT and directed by the Finance Audit & Risk committee, alongside the work of an external auditor, to provide independent assurance to the board that its financial and other controls, and risk management procedures, are operating effectively.

24.3. Internal scrutiny will focus on:

- Evaluating the suitability of, and level of compliance with, financial and other controls, including assessing whether procedures are designed effectively and efficiently, and checking transactions to confirm whether agreed procedures have been followed.
- Offering advice and insight to the board on how to address weaknesses in financial and other controls.
- Ensuring all categories of risk are being adequately identified, reported and managed.

24.4. The programme of internal scrutiny will be covered by a scheme of work, driven and agreed by the Finance Audit & Risk committee and informed by risk.

24.5. The programme of work will be spread appropriately over the year to ensure higher risk areas are reviewed in good time.

- 24.6. With reference to its risk register, the trust will identify on a risk-basis the areas it will review each year and modify its checks accordingly.
- 24.7. Internal scrutiny will take account of output from other assurance providers to inform the programme of work.
- 24.8. Independence in internal scrutiny will be achieved by establishing appropriate reporting lines whereby those carrying out checks report directly to a committee of the board.
- 24.9. Internal scrutiny will be kept under review and if any changes in size, complexity or risk profile become apparent, the trust will consider whether its approach remains suitable.
- 24.10. The trust will confirm, in its governance statement, the method(s) it uses for internal scrutiny, including themed audits, and why these are used.
- 24.11. Findings arising from internal scrutiny will be used to inform the accounting officer's statement of regularity in the annual accounts
- 24.12. Regular reports of the programme of work will be provided at each Finance Audit & Risk committee meeting, including recommendations to enhance financial and other controls and risk management.
- 24.13. The trust will submit its annual summary report of the areas reviewed, key findings, recommendations and conclusions to the ESFA each year when it submits its audited annual accounts. If requested, the trust will also provide any other internal scrutiny reports.
- 24.14. The MAT will appoint an external auditor to certify whether its annual accounts present a true and fair view of the trust's financial performance and position.
- 24.15. The contract with the external auditor will be in writing and be accompanied by a letter of engagement that only covers the details of the external audit including the requirements of the DfE.
- 24.16. The letter of engagement will also include details of the removal of external auditors, before the expiry of the term of office, in exceptional circumstances.
- 24.17. The board of trustees will notify the ESFA immediately of the removal or resignation of the auditors.
- 24.18. The accounting officer will produce a statement on regularity, propriety and compliance and this will be included in the trust's annual accounts.

24.19. The statement on regularity, propriety and compliance will include a responsibility to ensure that:

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

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

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

- An Accounting Officer or CFO, including their contact information.
- A Chair of Trustees, including their contact information.
- A member or Trustee including their contact information.
- A headteacher, including their contact information.

25. Record keeping

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

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

25.2. The CFO is responsible for keeping up-to-date records of the MAT's financial state.

25.3. Finance Officers (or equivalent) of each school are responsible for keeping up-to-date records in relation to the finances of their school.

25.4. Records will include the following information:

- Income and expenditure; identifying which transactions were cheques and which were cash payments
- The income and expenditure for each activity, with the activity recorded as a budget heading
- A balance sheet which identifies total income, expenditure and the balance for each budget heading
- The total income and expenditure for the year
- The balance and carry forward from the previous year
- Identified profit and loss – any causing concern is investigated

- 25.5. Each school has its own set of financial records for day-to-day operational purposes and budget management.
- 25.6. A record will be kept of all the monies kept on the premises prior to banking.
- 25.7. All financial records will be kept securely in each school.

26. Data Security

- 26.1. Computer systems are protected by password security. Passwords are changed every 90 days for Star Academy and budget planner and more frequently in the event of staff changes.
- 26.2. All data is backed up daily and the back-ups stored in a secure fireproof location, preferably off site.
- 26.3. The Accounting Officer has established a contingency plan for recovery from an emergency. Please refer to separate Business Continuity Plan.
- 26.4. Only authorised external hardware and software is installed on any Trust computer to safeguard against computer viruses.
- 26.5. The Trustees ensure the Information Commissioners Office is notified in accordance with the EU General Data Protection Regulations (GDPR) and the Trust's use of any electronic or relevant manual systems to record or process personal information, and any disclosure of that information, complies with this legal framework.

27. Financial notices to improve (FNtl)

- 27.1. Where the ESFA has concerns about the trust's financial management and/or governance, and has issued a FNtl, the trust will comply with this notice.
- 27.2. The trust will publish any FNtl issued by the ESFA on its website within 14 days of it being issued, and retain this on the website until it is lifted by the ESFA.
- 27.3. If a FNtl is issued, the trust will seek prior approval from the ESFA in accordance with the AFH and specifically for:
 - Special staff severance payments
 - Compensation payments
 - Writing off debts and losses
 - Entering into guarantees, indemnities or letters of comfort
 - Disposals of fixed assets beyond any limit in the funding agreement
 - Taking up a leasehold or tenancy agreement on land or buildings of a duration beyond any limit in the funding agreement
 - Carrying forward of unspent GAG from one year to the next beyond any limit in the funding agreement

- Pooling of GAG
- Where required, the trust will seek prior approval from the ESFA before entering into transactions with related parties.

27.4. The trust will submit additional information, such as monthly income and expenditure accounts, if required by the ESFA.

Bad Debt Policy

1. Wherever possible, income due will be collected before or at the time the relevant sale or service is provided. Where this is not possible, an invoice will be raised for immediate payment.
2. All debts will be recorded and non-payment will be followed up by issuing reminders as outlined below. Where a service is being provided, this will cease immediately and the debtor will be informed of this in writing. The service will not be reinstated until the debt is cleared and payment of future services is made in advance.
 - 3 weeks from date of invoice – 1st reminder
 - 6 weeks from date of invoice – 2nd reminder
 - 9 weeks from date of invoice – final reminder

The final reminder will be sent by recorded delivery and threatens legal action if the account is not settled within 14 days.

3. After 14 days, where a debt is still outstanding, legal action will be considered and the debtor will be informed of this in writing. The debt may be referred to the Trust's solicitor, where appropriate.
4. Legal action will not be taken for debts under £100.
5. If, after every effort has been made to collect the debt and legal action is considered impractical or has been unsuccessful, individual bad (irrecoverable) debts may be written off in accordance with the following procedures:
 - those up to the value of £100 to be approved by the Accounting Officer and reported to the next meeting of the Finance Audit & Risk Committee.
 - those exceeding £100 to be referred to the Finance Audit & Risk committee for approval.
6. The VAT element of any debt must not be written off as this contravenes HM Customs and Excise statutory requirements.
7. The current version of the Academies Financial Handbook will detail the delegated limits on write-offs that can be made by the Academy and the rules involved. Anything in excess of those limits must be approved in advance by application to the Secretary of State via the ESFA.

Policy for Redundant Equipment

1. Items for write off/disposal should be listed on the write off/asset disposal form, detailing model and serial number, a brief description of the item, and the reason for write off/disposal.
2. The form should be signed and dated by the member of staff requesting the write off/disposal, and then passed to the Executive Headteacher/Partnership Head/Headteacher or Head of School for authorisation. The Executive Headteacher/Partnership Head/Headteacher or Head of school should be satisfied that the items are to be written off/disposed of and should then enter on the form the method of disposal (e.g. scrapped, sold/offered via the weekly newsletter, sold by tender (if usable computers for example)).

PLEASE NOTE ALL COMPUTERS WOULD BE WIPED OF ANY DATA PRIOR TO WRITE OFF

3. When authorised, the form should be returned to the School Finance Officer or the Trust Business Manager for IST disposals for filing with the inventory. The inventory and the insurance should be updated accordingly, and the items disposed of as authorised.
4. The IST business manager should then inform Trustees of the items written off/disposed of and this should be recorded in the minutes of the Finance, Audit & Risk meeting stating that Trustees have ratified the decision. Details of the items should also be minuted. A copy of the authorised write off/disposal form attached to the minutes should suffice for this purpose.

Write off/Asset Disposal Form

Name of School		
Item		
Reason for write off/Disposal		
Method of Disposal		
Funds received if sold		
Signature of Requester		Date
Headteacher Authorisation		Date
Trustees Reviewed		Date
Completed in Accounting System		Date

Charges for School Activities

Legislation allows schools to charge for certain activities, which take place both inside and outside school hours. The Inclusive Schools Trust will charge for:

Music tuition

Vocal or Instrumental tuition, which is not part of the syllabus for an approved public examination, part of the National Curriculum or provided under the first access to the key stage 2 Instrumental and Vocal Tuition Programme.

Charges may be made for tuition provided individually or to groups of any size, provided the tuition is provided at the request of the pupil's parent. In the event of tuition fees not being paid in advance of a lesson, we reserve the right to cancel the lesson.

No charge may be made in respect of a pupil who is looked after by the local authority.

Ingredients and materials

Ingredients and materials for practical subjects where parents have indicated in advance that they wish to receive the finished articles.

Travel

The school **cannot** charge for:

- Transporting registered pupils to or from school premises, where the local education authority has a statutory obligation to provide transport.
- Transporting registered pupils to other premises where arrangements have been made for pupils to be educated.
- Transport enabling a pupil to meet an examination requirement where prepared for that examination at the school.

Board and lodging

Board and lodging will be charged in all cases where a school activity involves pupils in nights away from home. The charge must not exceed the actual cost.

Activities outside School hours

A charge will be made for all non-residential activities which take place wholly or more than 50% outside school hours, where the child's participation has been agreed in advance by the parents. The charge will include the cost of travel, entrance fees, insurance, books, equipment and any staff (teaching or non-teaching) engaged specifically for the activity.

Residential trips - a residential trip is deemed to take place outside school hours if the number of "missed" school sessions is less than 50% of the number of half days taken up by the trip. For example: Pupils are away from noon on Wednesday to 9pm on Sunday. This counts as 9 half days including 5 school sessions, so the visit is deemed to have taken place during Academy hours. The school **cannot** charge for:

- Education provided on any visit that takes place during school hours.

- Education provided on any visit that takes place outside school hours if it is part of the national curriculum, part of a syllabus for a public examination the pupil is being prepared for at the school or part of religious education.
- Supply teachers to cover for those teachers who are absent from school accompanying pupils on a residential visit.

The school can ask parents for voluntary contributions towards the cost of:

- Any activity taking place during school hours
- School Equipment
- General School Funds

Children of parents unwilling or unable to contribute may not be discriminated against. If insufficient voluntary contributions are received, with no alternative method to make up the shortfall, the activity should be cancelled. It is advisable to make parents aware from the outset of the possible cancellation of an activity if insufficient voluntary contributions are received.

Public Examinations - charges are made for the entry of a pupil for a prescribed examination for which he/she has not been prepared by the school, or where the pupil entered for examinations in the same subject with two examination boards.

Remission of charges - only parents who are in receipt of Universal Credit (when fully rolled out), Income Support, Working Families' Credit, Disabled Person's Tax Credit or Income Based Job Seekers Allowance are eligible for remission of charges. Remission of charges only applies to board and lodgings charges, which are levied directly by the LA or the school and where they relate to activities, deemed to take place wholly or partly in school hours.

Remission will not apply to such charges when they relate to activities wholly outside Academy hours, except if the activity is prescribed in a syllabus for a public examination, if it is prescribed by the National Curriculum or fulfils duties relating to Religious Education.

Parents who have difficulty meeting any charges should discuss the matter in confidence with the Partnership Head, Headteacher or Head of School.

Refunds

Refunds will only be offered in exceptional circumstances, e.g. if a school visit is cancelled, or if the surplus collected for an activity exceeds the cost of that activity by an amount pre-determined by the Trust Board of £5 per pupil.

Should the amount collected per pupil exceed the Trustees stated amount, parents/guardians should be offered the refund in writing, with a reply slip attached to the letter stating whether they wish to take up the offer, or decline it, along with a deadline by which a response is required. It should be clearly stated where the surplus will be placed e.g. to offset a future visit etc., and that if no reply is received by the deadline, the school will assume that the parent/guardian intends for the school to retain the funds. All refunds should be made via cheque/BACS payment to the parent/guardian concerned.

Definition of Business Interests and Pecuniary Interests

Business Interests

A business interest is the involvement of an individual or their family members in any trade or profession, along with any direct interest they may have in any company providing goods or services to the school. For example, if a Member or Trustee runs their own building company or provides training courses for teaching staff.

When making a decision about what or what not to declare, the individual should consider how they may be challenged about their decision not to disclose information.

All members of the Trust, the Accounting Officer and any staff who influence financial decisions, are expected to declare any business interests that they or any family member may have. A family member is defined as a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but may not be limited to, a child, parent, spouse or civil partner.

A template Business Interests form is shown on the next page. A Register of Business Interests should be made available in the school and there should be an annual review of this register. In addition, where a Member, Trustee or member of staff has no business interests, they should complete a form saying „No interests to declare“. New Members, Trustees, or members of staff, influencing financial decisions, should be asked to complete a form on joining the Trust.

Pecuniary Interests

It is a common misconception that pecuniary interests are the same as business interests; however, pecuniary interest is a wider term. Pecuniary interests include personal financial interests, such as involvement in a trust fund or investment, as well as potential interests, for example, where a member of staff's spouse or partner is applying for a vacancy in the Academy or where a teacher is involved in the decision over the promotion of a colleague, and where they may be a potential candidate for the post made available.

Because of the nature of these interests, they cannot only be declared annually. All members of the Trust and all members of staff should be made aware at all Trust meetings of the need to declare these interests, as they arise. Declarations should be made in writing to the Accounting Officer or the Chair of the Trust and these should be filed in a register of pecuniary interests.

Register of Interests – Inclusive Schools Trust

Name of Trustee/Member (Please indicate position)

BUSINESS INTERESTS

<i>Name of Business</i>	<i>Nature of Business</i>	<i>Nature of Interest</i>	<i>Date of Appointment or Acquisition</i>	<i>Date of Cessation of Interest</i>	<i>Date of Entry</i>

I certify that I have declared all beneficial interests which I (or any person closely connected with me), have with businesses or other organisations which may have dealings with the school.

PERSONAL INTERESTS

<i>Please give details about any other educational establishment you govern/work with (if applicable) with dates</i>	<i>Please give details about your relationships with any school staff member, i.e. relatives / spouse and relevant dates</i>

RECORD OF REVIEWS

Clerk of Trust must distribute this form to the respective Trustee/Member for amendment as necessary and signature annually

Date					
Trustee/Member’s Signature					

Trustees/Members are reminded that completion of this form does not remove the requirement upon them to disclose orally any interest at any specific meeting and to leave the meeting for the agenda item.
 Nil returns are required where appropriate.

Procurement & Tendering Policy

Quotation & Tendering

The minimum required numbers of tenders or quotations from appropriate contractors for a given estimated value of contract are:

- Up to £2,500 (net of VAT) – no quotations required however schools will adhere to the Recommended Supplier Policy.
- Above £2,500 (£5,000 for works) and up to £10,000 (net of VAT) - three written quotations;
- Above £10,000 and up to £50,000 (net of VAT) - three formal quotations to be submitted in writing by a specified date and time and based on a written specification and evaluation criteria;
- Above £50,000 (Net of VAT) and up to EU threshold – four tenders.
- Over EU Thresholds - five tenders.

The values are for single items or groups of items, which must not be disaggregated artificially.

The sterling equivalents of EU thresholds (net of VAT) are £181,302 from 1/1/18 for supplies services and design contracts, £4,551,413 from 1/1/18 for works and £615,278 for social and other specific services. The sterling equivalents are changed on 1 January of each even-dated year.

For tenders expected to exceed EU thresholds, advertisements must also be placed in OJEU (the Official Journal of the European Union) and must follow EU procurement requirements with particular regard to be given to the timescale for such tenders.

Procedures

All purchases with a value greater than £50,000 must be put out to formal tender. The following procedures must be followed in such circumstances:

1. A specification will be prepared, authorised by the chair of the Finance, Audit & Risk committee and Headteacher and sent to at least three suppliers. It is anticipated that for any major building works of a value greater than £5,000 the services of an architects would be engaged to deal with the handling of specifications and suitability to tender.
2. Where appropriate, the suppliers invited to tender should be drawn from an approved list **or** from those agreed with the architect. Otherwise, invitations to submit tenders will be advertised in local newspapers and trade journals if appropriate. The invitations to tender will include:
 - (a) an introduction/background to the project
 - (b) the scope and objectives of the project;
 - (c) any technical requirements;
 - (d) implementation details for the project;
 - (e) the terms and conditions of the tender; and

- (f) the form and date of response to the academy, or in the case of building works, to the architect or quantity surveyor.
3. All replies, if to the school, should be addressed to the Chief Financial Officer in a plain sealed envelope marked "Tender" to reach him/her by a specified date. All replies must be kept sealed until that date and passed to the chair of the relevant committee.
 4. All tenders will be opened at the same time and details of the contractor, quotation and any other details recorded at the time of opening,
 5. No contractor will be allowed to amend the tender after the time fixed for receipt.
 6. The Chief Financial Officer will open a separate correspondence file for each tender which will contain copies of all correspondence or other relevant information.
 7. For purchases exceeding £50,000, provided the expenditure has been budgeted for, a decision will be recommended by the Finance, Audit and Risk Committee. The decision will need to be ratified by the full Trust Board.
 8. Where expenditure is not included in the budget or anticipated expenditure exceeds the budget allocation, the decision as to which tender to accept will be taken by the Finance, Audit and Risk Committee, in line with their terms of reference and then ratified by the full Trust Board.
 9. The reasons for accepting a particular tender must be documented, especially if it is decided to accept other than the lowest tender. All decisions must be reported at a full trustee meeting.

Acceptance of Tender

The following points will be considered when deciding which tender to accept:

1. The overall price and the individual items or services which make up that price.
2. Whether there are any "hidden" costs; that are additional costs which the academy will have to incur to obtain a satisfactory product.
3. Whether there is scope for negotiation, while being fair to all tenderers.
4. The qualifications and experience of the supplier, including membership of professional associations.
5. Compliance with the technical requirements laid down by the school.
6. Whether it is possible to obtain certificates of quantity.
7. The supplier's own quality control procedure; pre sales demonstrations, after sales service and, for building works, a six month defects period and insurance guarantees.
8. The financial status of the supplier.
9. References from other establishments.
10. Understanding & compliance with Health & safety, CDM regulations and Child Protection issues related to working on a school site

In the case of building works, where the tendering process is being carried out by the architect or quantity surveyor, they will be responsible for checking the documents of the lowest tender before making a recommendation to the academy.

Once a tender is accepted an order should be issued immediately to the supplier in the normal way.

The Schools' Funding Agreement should be considered when applying this policy

Authorised Signatories

<u>School</u>	<u>Bank Account Number</u>	<u>Sort Code</u>	<u>Bank Signatories</u>	<u>BACS Approver</u>	<u>Orders/Invoice Approver</u>
Inclusive Schools Trust	82272460	30-96-17	Selene Sawyer Sharon Forder Eileen Hansell	Selene Sawyer	CEO
Lionwood Junior School	82273268	30-96-17	Rebecca Adcock Tonya Newton Lucy Finnie Maria Cornish	N/A at present	Executive Head Headteacher Deputy Head (or those acting in these roles)
Lionwood Infant & Nursery School	82272868	30-96-17	Hannah Kingsley Sam Thorpe Lucy Finnie	Hannah Kingsley	Executive Head Head of School Deputy Head (or those acting in these roles)
George White Junior School	82273960	30-96-17	John McConnell Chris Hutchinson Eileen Hansell Julian Healey	John McConnell	Headteacher Deputy Head (or those acting in these roles)
Drayton Community Infant School	85580368	30-96-17	Laura Edwards Sarah Humphrey Akiko Quinn	Karen Winter	Headteacher (or those acting in this role)
Mousehold Infant & Nursery School	88573468	30-96-17	Rebecca Westall Ian Tolson Tessa Humphrey Zoe Wood	Rebecca Westall	Headteacher (or those acting in this role)
Nightingale Infant & Nursery School	88571568	30-96-17	Claire Hart Lou Boyce	Karen Winter	Headteacher (or those acting in this role)



School Credit Cards

Conditions of Use

1. Use of a credit card scheme must be approved by the Finance, Audit & Risk Committee.
2. The credit limit per card will not exceed £1,000 unless prior authorisation is sought from the Finance Audit & Risk committee.
3. All applications by staff members must be approved by the Finance, Audit & Risk Committee.
4. All approved users must sign the certificate below.
5. Not complying with the conditions of use or misuse of the card will lead to being removed as an authorised user and/or disciplinary action.
6. The card must not be used to obtain cash.
7. The Trust Business manager will maintain an up to date list of approved users and card details.
8. Intended use must be within the scope of any delegated or appropriate budget.
9. Use of a card for personal transactions is not allowed.
10. The account will be paid in full at the end of each period by direct debit to avoid interest charges.
11. The IST Business Manager will review the use of cards, volume and value of transactions undertaken and whether value for money has been achieved.

Processing Credit Card Transactions

1. All credit card transactions should be raised as an order on STAR and authorised by the Partnership Head, Headteacher, Head of School or Trust CEO.at the point of purchase or at the point of receiving a valid VAT receipt from a cardholder.
2. For internet purchases, the order confirmation from the supplier must be attached to the order along with a VAT invoice/receipt as appropriate.
3. A VAT invoice/receipt must be obtained for all non-internet purchases.
4. On receipt of the goods, order confirmations/invoices/receipts should be stamped, signed and dated.
5. All orders should be logged onto the purchase card transaction log.
6. Once the monthly direct debit has been processed all orders on STAR should be paid by selecting the credit card option on the payment screen.
7. On receipt of the card statement it should be attached to the purchase card activity log together with all supporting documentation for authorisation

Certificate

I have read and understood the above conditions of use and agree to comply with them.

Signed:

Date:

Lettings Policy

The letting of any part of the school premises and or grounds will be at the discretion of the Trust Board and with the agreement of the Partnership Head, Headteacher or Head of School.

All lettings applications are to go to the Partnership Head, Headteacher, Head of School or school finance officer in the first instance for referral to a meeting of the Finance, Audit & Risk Committee for their approval.

All hire charges must be paid for in advance.

The applicant may, at the discretion of the Partnership Head, Headteacher or Head of School be requested to provide the names and addresses of two referees.

Bookings are made through the school finance officer as authorised by the Trust Board and confirmed in writing.

School or Inclusive Schools Trust associated activities have priority and no bookings should be confirmed more than a year in advance, although provisional bookings may be made at any time.

The Hirer must sign a contract which covers the following:

- Terms and conditions relating to planned use of the facilities
- Safeguarding Arrangements
- Cancellation
- Damage
- Insurance
- Fees – at a rate agreed at the time of booking
- Any restrictions on use – as listed in policy

Outline charges are set by the Partnership Head, Headteacher or Head of School and reviewed annually. Any specific charges are set at the time of the contract.

A diary is kept covering all school, or Inclusive Schools Trust associated activities and outside use of the premises and grounds after school, in evenings, at weekends and during holidays.

Roles & Responsibilities:

The school's authorised representative is responsible for the lettings diary. All staff are responsible for informing this representative in advance of events outside teaching hours which will use the school's premises.

Opening and closing the school is undertaken by a keyholder or by prior agreement with an authorised member of the staff.

Supervision during the letting is the responsibility of the Hirer. The Hirer is also responsible for the security of the area of the school being used and for any first-aid issues arising during the period of letting. All entrances and exits will be kept locked at all times in accordance with the school safe-guarding procedure.

Post-letting checks are made by the Caretaker and any issues reported to the Partnership Head, Headteacher or Head of School. Follow-up of unsatisfactory lettings is made and due attention paid to avoid undue wear and tear on the buildings and equipment.

It is the hirer's responsibility to ensure that safeguarding arrangements are in place, including DBS and barred checks for staff and volunteers where necessary.

School Hall:

Only suitable footwear should be worn in the school hall. No school games equipment may be used without permission and gymnastic equipment can only be used when an adult with recognized qualifications for the proposed activity is personally supervising at all times. For safety reasons, this condition also applies to other indoor activities with young people. For further guidance the hirer should consult the regulations described in the school's Physical Education Risk Assessment document available from the school.

No musical works may be performed in public on the premises unless the hirer has obtained the permission of the Partnership Head, Headteacher or Head of School. For any music used, the Hirer is responsible for obtaining any licence required.

School Equipment:

No use may be made of apparatus such as stage fittings, pianos etc., without specific permission.

Any Property or apparatus brought on to the premises is at the hirer's own risk. All electrical equipment brought onto the school premises must be PAT tested.

Cancellation by the School:

Apart from exceptional circumstances, the school will give at least 4 weeks' notice to the hirer, should it become necessary to cancel or postpone a letting.

Cancellation by the Hirer:

The hirer must give at least 4 weeks' notice of cancellation to the Partnership Head, Headteacher or Head of School. If any shorter period of notice is given, the trustees reserve the right to pass on to the hirer any costs unavoidably incurred.

The hirer shall ensure that the number of persons using the premises does not exceed that for which the application was made and approved.

The hirer shall be responsible for ensuring the preservation of good order for the full duration of the letting and until the premises are vacated. The hirer shall be liable for damage caused by unruly or inappropriate behaviour.

Premises Conditions:

In no circumstances shall alcoholic drinks be available at any function without prior written consent of the trustees, or their nominated representative. Permission will be granted only in exceptional circumstances. Applications must be made in writing at the time the hirer applies for the use of the premises. If permission is granted for alcoholic drinks to be sold it will be the responsibility of the hirer to ensure that an appropriate licence is obtained from the local council and that the school is given a copy of the licence.

The premises may not be used for games of chance, other than bingo, unless specific permission has been granted by the trustees.

Fire and Other Emergencies:

It is the duty of all hirers to carry out the procedures as outlined.

NB – It is essential that any sounding of the fire alarm is treated by everyone as a potential fire and these precautions are followed closely. A fire risk assessment has been carried

out by the Partnership Head, Headteacher or Head of School and is revised on a regular basis. The hirer must complete a role/register of all personnel in the building each session.

- ❖ All signed fire exits must be adhered to.
- ❖ Anyone discovering a fire should raise the alarm.
- ❖ Phone 999 for the fire service.

Health and Safety and Fire precautions - Hirers shall familiarise themselves with the School's Relevant Health and Safety Policies which are available on the trust/school website or from the school.

The caretaker is instructed by the trustees to ensure that the conditions of hire are fully complied with. All reasonable instructions given by the caretaker on duty must therefore be followed.

Monitoring & Evaluation:

The success of lettings can be equated to the additional income raised for the school, less the cost of any reasonable wear and tear to the furniture and fabric of the school, costs of additional heating and Site Supervisor wages.

Fixed Asset Policy

The purpose of this fixed asset policy is to ensure that the Inclusive Schools Trust's balance sheet correctly reflects the assets and liabilities of the Inclusive Schools Trust.

A Fixed Asset Register is maintained by each individual Academy and the Multi Academy Trust and this is reconciled to the financial statements of the Inclusive Schools Trust.

Fixed Asset Register

1. The Fixed Asset register consists of a list of items (or a specific group of items purchased within the account period) valued over £2,000 that are considered to have a life longer than the financial year they were purchased in.
2. Capitalised assets are not necessarily bought on one order; so long as a group of items is purchased within the same accounting period they will be capitalised.
3. Fixed Assets are categorised as follows: -
 - Land & Buildings
 - Vehicles
 - ICT, Audio & Visual Equipment
 - Furniture & Equipment
4. The appropriate accounting transactions are processed for all capitalised assets and recorded on the Fixed Asset Register.
5. All items that have been included on the Fixed Asset Register are security marked, where practicable, as the property of the Academy.
6. The Asset Register is checked at least once a year, in the summer term. The Asset Register is signed as evidence of the check having been undertaken and countersigned by the CEO/Partnership Head/Headteacher/Head of School. All discrepancies are investigated and any resulting in a loss of £100 or more will be reported to the Accounting Officer and the Trust Board. Any loss exceeding the current minimum limit for loss defined by the ESFA (£5,000 in 2019) will be referred to the Secretary of State via the ESFA.
7. All disposals are recorded in the Fixed Asset Register and the appropriate transactions recorded through the financial statements.

Depreciation

All assets included within the Fixed Asset Register will be depreciated as follows, with a full charge being made in the year of acquisition but not in the year of disposal: -

Asset Category	Method	Residual value
Leasehold Buildings – Property (DCIS)	44 years - straight line	£0
Leasehold Buildings - Property (GWJS)	35 years - straight line	£0
Leasehold Buildings - Property (LIANS)	37 years - straight line	£0
Leasehold Buildings – Property (MIANS)	28 years - straight line	£0
Leasehold Buildings – Property (NIANS)	41 years - straight line	£0
Leasehold Buildings - M&E (DCIS& MIANS)	14 years - straight line	£0
Leasehold Buildings – M&E (all other schools)	15 years - straight line	£0
Leasehold Land	125 years – straight line	£0
Additional Leasehold Improvements	35 years – straight line	£0
Vehicles	10 years – straight line	£0
ICT, Audio & Visual Equipment	3 years – straight line	£50
Furniture & Equipment	10 years – straight line	£0

Finance Policy - Version Control Log

Version Number	Date Issued	Details
1.0	23/06/17	Finance Policy Approved by Finance, Audit and Risk Committee
1.1	10/07/17	Fixed Assets Policy Updated:- <ul style="list-style-type: none"> • Motor Vehicles changed from 4 years straight line depreciation method with £2,000 residual balance to 10 years reducing balance with £0 residual balance.
1.2	12/09/17	Fixed Assets Policy Updated:- <ul style="list-style-type: none"> • Motor Vehicles changed from 10 years reducing balance with £0 residual balance to 10 years straight line with £0 residual balance. • Leasehold and buildings updated • Land changed to 125 years straight line.
1.3	15/06/18	EFA updated to ESFA Chief Finance Officer/Accounting Officer roles clarified. Charges for School Activities updated. Revised Register of Business Interests form included in document. Committee Terms of Reference updated in line with the Scheme of Delegation. Depreciation assumptions added as per audit report.
1.4	04/06/19	Full review and update of finance policy
1.5	20/02/20	Full review and update of finance policy using the school bus model as a template