


FINANCE POLICY
Version 1

Date approved by Trustees of Ventrus Multi Academy Trust	2nd October 2019
Review Period	Annual
Next Review Date	
Signed by Chair of Trustees Hugh Whittaker	

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

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

- Academies Financial Handbook 2019
- Financial Regulations for Ventrus Ltd as at July 2019
- Academies Accounts Direction
- Charities Commission's Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities

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

There are two main strands to this:

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

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

All financial dealings are to be conducted

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

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

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

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

The Trustees regard the passage of timely and accurate information as being central to the success of their policy. The CEO is responsible for putting suitable arrangements in place to ensure the financial data within school are both up to date and accurate so that any member of staff responsible for control of a budget can have an accurate position statement upon request. Internal monitoring is to take place not less frequently than monthly. The Trustees should receive financial reports at least 6 times per year as per AFH 2019 2.19

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

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

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

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

No changes to the Scheme can be made without approval of the Board.

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

Appendix 1 – Table of Delegated Authority/Responsibility

Financial Management

Function	Chief Executive Officer	Director of Finance & Commercial	Director of School Improvement	Chair of Trustees	Head Teachers	Premises Manager	Head of Financial Accounting	Finance Manager	School Based Administrators	Trust Governance Lead	Financial Handbook
Comply with Financial Regulations	√	√	√	√	√	√	√	√	√	√	2.1-2.2
Ensure segregation of duties	O	√	A		A	A	√	C	√	A	2.4
Ensure internal controls operate correctly	√	√	A		√	A	√	C	√	A	2.6
Ensure Trustees' Policies are complied with	√	√	√	√	√	√	√	√	√	√	
Annual Budget Forecast											
Prepare	O	√	A		A	A	√	A	A		2.9
Approves	√	√		√							2.10
Monitors	S	√	A	O	A		√	A	A		2.18
Submits Budget Forecast to ESFA	S	√		O			√				2.15
Entering into guarantees, Letters of Comfort or indemnities											
+1% of total annual income or £45,000 whichever is smaller per single transactions	Requires ESFA approval										
Cumulatively, 5% of total annual income in any one financial year per category of transaction	Requires ESFA approval										
Borrowing											
Enter into borrowing arrangements including finance leases and overdraft facilities from any source, which is repaid from grant monies or secured on assets	Requires ESFA approval										
Register of Interests	S	A		O	A		A			√	5.44-5.47
Register of Eligibility to Serve	O									√	1.2

Responsibility for Budget Monitoring

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

Appendix 2 Table of Responsibility for Policy Review

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

Appendix 3 Table of Delegated Authority

Financial Administration

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

Spending Decisions	Board of Trustees	Chair of Trustees	Chair of Finance & Audit Committee	Chief Executive Officer	Director of Finance & Commercial	Trustees of School Improvement	Head of Financial Accounting	HR Business Partner	Head Teacher	Budget Holder	Management Accountant	Finance Manager	School Based Administrators
Approve and authorise expenditure up to £5,000				√	√	√	√		√	√			
Approve and authorise expenditure between £5,001 and £30,000				√	√								
Approve and authorise expenditure over £30,001		√											
Banking and authorised signatories													
Cheques	As per approved bank mandate												
BACS	As per approved bank mandate												
ESFA grant claims and ESFA returns		√	√	√	√								
Petty Cash													
Authorise petty cash payments (Secondary only)				√	√	√	√	√	√	√		√	√
Authorise Charge Card Payments up to £5,000				√	√	√	√	√	√	√			
Authorise Charge Card Payments £5,000+				√	√								
Income													
Cash receipting					√		√		0		√	√	√
Ensure invoices are raised accurately and promptly					√		√				√	√	√
Ensure debt collection arrangements are in place and followed through					√		√		√	√	√	√	√
Approve writes off – up to £50					√		√		√				√
Approve write off and credit notes £50+				√	√								
Approve write off of +1% of total annual income or £45,000 whichever is smaller per single transaction (subject to a maximum of £250,000)	Requires ESFA approval												
Approve write off of cumulatively, 5% of total annual income in any one year per category of transaction (subject to a maximum of £250,000)	Requires ESFA approval												

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

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

Threshold band	Procurement route	Value	Delegation route
£0-£5,000	One written quote or Framework	Low	Budget holder > Head Teacher
£5,000-£30,000	Three written quotes or Framework	Medium	Budget Holder> Head Teacher>DoF>CEO
£30,001 - £75,000	Request for quote (3 minimum) or Framework	Medium	Budget Holder> Head Teacher>DoF>CEO>Chair of Board
£75,001 - £181,300	Ventrus Tender or Framework	High	Budget Holder> Head Teacher>DoF>CEO>Board
£181,301 +	EU Tender or Framework	High	Budget Holder> Head Teacher>DoF>CEO>Board

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

Key to all tables

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

Appendix 4 – Policy History

Version	Summary of Change	Review Date	Lead Author
V.02	Changes to authorisation made at F&A Committee 13.11.19	13.11.19	CT/KB