Blessed Holy Family Catholic Academy Trust

Financial Regulations Policy

Review Committee:	**Trust Board Finance and Risk Committee**
Approved on:	**October 2026**
Next review date:	**October 2027**

Associated documentation	
Academy trust funding agreement	
Academy Trust Handbook	**2026**
Academies Accounts Direction	
Capital Revenue & Reserves Policy	

Ratified

Signed: 

Name: James Coyle, Chair of the Trust Board

Date: 15tth October 2026

Date of next review Autumn 2027

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Introduction

1. The purpose of this manual is to ensure that the academy maintains and develops systems of financial control, which conform with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Secretary of State for Education.

2. The academy trust must comply with the principles of financial control outlined in the Academy Trust Handbook. This manual expands on that and provides detailed information on the academy's accounting procedures and the system manual should be read by all staff involved with financial systems.

3. This manual serves as an adjunct to the scheme of delegation providing information on the day-to-day operations and practicalities forming from this financial regulation manual.

Financial Planning

4. The academy trust prepares rolling 3 to 5-year budgets.

The budget cycle

5. The budget cycle is as follows:

- Autumn term (Sept – Dec)
  - Implementation of current budget plan
  - Monitoring expenditure (continuous-monthly)
  - Reconciliation and closure of previous financial year
- Spring term (Jan – Mar)
  - Monitoring and Reviewing of year's budget
  - Revised Budget where appropriate
  - Pre-planning new financial year
- Summer term (Apr – Aug)
  - Planning for forthcoming year
  - Preparation and submission of financial budget plan
  - Review of current year's budget

All requirements of the DfE, in particular relating to carry forward of unspent funds, will be taken into account in preparing and submitting the budget.

Budget

6. The Finance staff in each school are responsible for preparing and obtaining approval for the annual budget. The budget must be approved by the Headteacher and the local governing body prior to submission to the Trust Board.

7. The annual budget will reflect the best estimate of the resources available to the academy for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the development plan objectives and the budgeted utilisation of resources.

8. The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of pupils to estimate the amount of General Annual Grant
- latest estimate of other DfE funding e.g. pupil premium or other specific grant funds
- review of other income sources available to the academy to assess likely level of receipts
- review of past performance against budgets to promote an understanding of the academy costs
- identification of potential efficiency savings
- review of the main expenditure headings in light of the development plan objectives and the

expected variations in cost e.g. pay increases, inflation and other anticipated changes
- all carry forward balances
- any unspent grants from the previous financial year
- any funds held in Trust

9. Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding. If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail prioritising tasks and deferring projects until more funding is available. Plans and budgets will need to be revised until income and expenditure are in balance. If a potential surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need in accordance with the Development Plan.

10. If there is a significant (over 10%) variance from the anticipated budget this will be escalated to the Trust Finance Committee as part of the monthly management accounts procedure.

11. The approved budget is then entered onto the finance system at the start of the new financial year.

Other Government Funding

12. In addition to GAG funding from DfE the trust may be awarded specific funding for other projects e.g. Condition Improvement Funds, Additional Special Educational Needs funding, etc. This funding may be from the Department for Education or Local Authority. All government funding will be spent in accordance with the terms and conditions imposed, accurately recorded as government income (restricted) and audited externally annually.

13. The Finance Officers are responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts.

Other Grants and specific funding

14. In addition to the GAG funding from the DfE and other government funding, the academy/MAT may be awarded additional grants from time to time relating to specific projects e.g. Sport England Funding, Football Foundation Funding, Charitable Grants etc. All applications for additional external funding must be approved and supported by the Board of Governors/Trustees. All external funding and grants will be spent in accordance with the terms and conditions imposed, accurately recorded as income specific to a certain project and audited externally annually.

15. The Finance Officers are responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts.

Funds held in Trust

16. Where funds are held in trust, the Chief Finance Officer is responsible for ensuring accurate recording of the income and expenditure, as well as ensuring the funds are recognised separately as set out in the memorandum and articles.

Virements

17. Substantial virements shall be approved and minuted by the Finance and Risk Committee within each academy and should be within the agreed criteria and financial limits set out in the Scheme of Delegations.

18. The Headteachers are given delegated power to vire from one budget to another and shall seek approval from the Finance and Risk Committee and retrospectively where the amount exceeds £10,000.

19. All virements exceeding £10,000 or 2% of the budget shall require retrospective approval from the Finance and Risk Committee.

Revised Budget

20. Monitoring and analysis of the agreed budget should be carried out on a monthly basis by the Chief Executive (in their role as Accounting Officer) and Chief Finance Officer and reports forwarded to the Board of Trustees. Where significant variations to the agreed budget are identified or where a number of substantial virements have been approved by the Finance and Risk Committee and or where significant staff changes have occurred in-year, then a Revised Budget should be prepared and approved by the Board of Governors. This Revised Budget should then form the basis of analysis of all income and expenditure until the financial year end.

Budget Forecast Return

21. The approved budget must be submitted to DfE by 31 August each year by the Chief Finance Officer. The Chief Finance Officer is responsible for establishing a timetable, which allows sufficient time for the approval process and ensures that the submission date is met.

Monitoring and review (including management accounts)

22. Monthly reports are prepared by the Chief Finance Officer and distributed to the schools The reports include:

- actual income and expenditure against budget (shown as month to date and cumulatively)
- balance sheet
- cash flow forecast
- narrative to highlight and explain variances

23. Any potential overspend against the budget must, in the first instance, be discussed with the Headteacher.

24. The monthly reports are sent to the CEO, Trust Finance Committee, Headteachers to discuss at local level and with the chair of the local Finance and Risk Committee.

Independent checking procedures

In order to comply with Section 3.17 of the ATH, the Trust has appointed Buzzacotts to carry out the external audit functions to provide independent assurance to the board that its financial and other controls and risk management procedures are operating effectively. Peter Standing has been appointed to carry out the internal scrutiny functions in accordance with the ATH S3.20

Review of regularity

25. The Chief Executive (in their role as Accounting Officer) reviews the following documents termly and as part of the Year End processes to ensure the academy trust is working within the boundaries of regularity and propriety:

- reviews management accounts
- reviews compliance against the scheme of delegation
- reviews transactions for evidence of connected party transactions
- value for money practice

26. The Accounting Officer has delegated the following responsibilities to Chief Finance Officer:

- adherence to tendering policies
- review of transactions confirming in line with delegated authorities as set out by

the Academy Trust Handbook
- review of trustees/governors' minutes

27. A checklist is completed for each review undertaken.

Annual accounts

28. The academy trust must prepare annual audited financial statements for the accounting period to 31 August.

29. The accounts preparation is outsourced to TSO Education for preparation.

30. The accounts are then submitted as follows:

- by 31 December – to DfE
- by 31 January – published on our own website
- by 31 May – to Companies House

Audit arrangements

31. External auditors must be appointed in accordance with the Academy Trust Handbook.

32. The Chief Finance Officer is responsible for managing the audit process, by liaising with the auditors, arranging the timetable for accounts and audit completion and ensuring deadlines are met.

Work undertaken during accounting period

33. The Finance Officers are responsible for the following tasks to be undertaken during the year to facilitate a smooth audit process:

- reviewing the structure of the school's trial balance
- informing the CFO of capital purchases and capital works
- maintaining school income and expenditure records (including filing of invoices and attaching scans to Access)
- reviewing aged debtors for any provisions required
- maintaining a record of local governor's interests, related and connected party transactions
- maintaining income and expenditure records (including filing of invoices and attaching scans to Access)
- school control account reconciliations (bank, wages, debtors, creditors)
- Monitoring & reporting to the headteacher and governors

34. The CFO is responsible for the following tasks to be undertaken during the year to facilitate a smooth audit process:

- reviewing the structure of the consolidated and central trust trial balance
- maintaining a fixed asset register
- monthly depreciation charges
- processing monthly accruals and prepayments at school and trust level on all contracts £1200 per annum and over
- reviewing aged debtors for any provisions required
- reviewing the record of trustees' interests maintained by the governance professional, and identifying and maintaining a record of related and connected party transactions
- reviewing the record of trustees' interests maintained by the governance

professional, and identifying and maintaining a record of related and connected party transactions
- central trust control account reconciliations (bank, wages, debtors, creditors)
- reviewing control account reconciliations (bank, wages, debtors, creditors)
- Monitoring & reporting to the Accounting Officer and Board of trustees

35. The Governance Professional is responsible for:

- maintaining a record of meeting attendance
- maintaining the record of trustees' interests

Work undertaken for the year end

36. The Finance Officers, in conjunction with external bodies (EPM, London Borough of Harrow Pension Team, Buzzacotts etc), are responsible for the following tasks to be undertaken at the end of the year to facilitate a smooth audit process:

- stock take and including of year end stock value
- prepayments for IT licenses

37. The CFO/Trust Finance Manager are responsible for the following at year end:

- prepayments or accruals for grant income
- control account reconciliations (bank, wages, debtors, creditors)
- close down of the purchase ledgers
- close down of the Sales ledgers and aged debtors
- pension valuations
- Pension Audit

Annual Accounts Return (AAR)

38. The academy trust must prepare an annual account's return for the accounting period to 31 August, which is submitted to the DfE by 31 January.

39. The accounts return is outsourced to our auditors for preparation.

Document retention

40. Documents are retained for the following amount of time:

- Finance records – current year plus preceding 6 years
- Supply cover insurance – current year plus preceding 6 years
- Payroll and travel records – current year plus preceding 6 years
- Personnel records – 5 years after an employee has left
- All student files until the student reaches the age of 21

Accounting system

41. All the financial transactions of the academy trust must be recorded into Access, the computerised financial information accounting system. This system is operated by the CFO and Finance Officers.

System Access

42. Access to the system is password restricted to authorised users within each academy and others who have been authorised by the Accounting Officer e.g. external accounting providers.

43. The provider of the financial management information system, Access, is responsible for implementing a system which ensures that passwords are changed regularly. Each account should

be set up to require strong passwords that are changed every 3 months as a minimum.

Transaction processing

44. All transactions input to the accounting system must be authorised in accordance with the procedures specified in this manual.

45. Bank transactions are input by the CFO or finance officer and reviewed and authorised by the Headteacher or CEO.

Reconciliations

46. The Finance Officers are responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- sales ledger control account (where applicable)
- purchase ledger control account
- payroll control account
- VAT control account
- all suspense accounts
- bank balance per the nominal ledger to the bank statement

47. The Headteacher or CEO signs all reconciliations as evidence of review.

48. Any unusual or long outstanding reconciling items are brought to the attention of the Headteacher and dealt with according to the bad debt limits in this manual.

Cash Management

Bank Accounts

49. The following procedures must be followed when opening a bank account and operating it:

- the trust is responsible for selecting the banking institution and negotiating the terms and conditions
- the academy/CAT will ensure that in the event of changes to key personnel or governors/trustees, signatories will be changed immediately and the bank notified. Any on-line access to banking will also be updated as appropriate.
- terms of arrangements, including cheque signatories or BACS authorisations and the operation of the accounts must be formally recorded and agreement minuted
- the trust must inform the bank, in writing, that their accounts must not become overdrawn
- the trust must ensure there are sufficient funds to cover large payments

Deposits

50. A deposit must be entered on a copy paying-in slip or listed in a supporting book with the following details:
    - the amount of the deposit
    - a reference (for example the number of the receipt or the name of the debtor)

51. The Finance Officer is responsible for updating the accounting system (within 2 working days) for deposits placed.

Payments and withdrawals

All cheques and other instruments authorising withdrawal from academy bank accounts must bear the signatures of two people as designated in the official bank mandate.

52. This provision applies to all accounts, public or private, operated by or on behalf of the governing body of the academy including funds held in trust. Authorised signatories must not sign a cheque

relating to goods or services for which they have also authorised the expenditure.

53. The Finance Officers are responsible for updating the accounting system (within 2 working days) for deposits placed.

Administration

54. The Finance Officers ensure bank statements are received regularly and that reconciliations are performed at least on a monthly basis. Reconciliation procedures must ensure that:
    - all bank accounts are reconciled to the academy's cash book
    - reconciliations are prepared by the Finance Officer
    - reconciliations are subject to an independent monthly review carried out by the Headteacher.
    - adjustments arising are dealt with promptly

Petty Cash

55. Expense claims should be made using the Payroll Expense claim form. These can be used to reclaim personal expenditure for travel, mileage, purchase of minor items etc.

56. Trust schools do not operate a Petty Cash system. Petty cash payments can be made up to a maximum of £250.00. Payments are made on production of a valid till receipt or other proof of payment and are subject to the same authorisation procedures as purchases from the main bank account.

57. Expense claims must be submitted monthly. Any receipts over 2 months (unless the receipt covers the summer break) will not be accepted.

E-procurement & Payments

58. The school corporate cards, issued by Lloyds, are used only when it is not practical to use the purchase order/cheque system. They are used mostly for internet purchases and to buy refreshments for meetings etc and receipts must be kept and initialled by the budget holder.

59. The cards are kept by the individual and are only used by that person to whom they are issued.

60. Any department wishing to make a purchase on the card must complete a requisition order form and pass this to the Admin staff to make the purchase, unless the Admin staff is the budget holder. All order forms detailing the purchase must be signed by the Budget Holder and receipts kept.

61. When the credit card statement is produced, the supporting paperwork will need to be attached and a Card Expenses Journal generated. A VAT invoice is required for all purchases where applicable and it is sometimes necessary to chase suppliers for this.

The corporate card bills, along with all the supporting paperwork are then given to the Headteacher who will check the entries and the statement and sign to authorise. If the cardholder is the Headteacher all the supporting paperwork are then given to the Chair of the LGB who will check the entries and the statement and sign to authorise These are then filed away together attached to the relevant bank reconciliation.

BACS Payments

62. On receipt of an invoice, the finance officer checks the invoice, to ensure:

    - the delivery note has been checked
    - the delivery is of correct quantity, quality and price
    - it has not been previously paid
    - funds are available in the relevant budget
    - VAT chargeability on qualifying expenditure is shown

63. The BACS file is then prepared and first approval (3 votes) completed on the Bank's portal. The second approval (3 votes) – part of the two-step authorisation process - is undertaken by another member of staff who checks to ensure the amounts are correct and that the bank and sort codes have been correctly entered. The payment is then approved and remittance advices are sent.

64. Normally, BACS payments are processed within a month of receipt, although every effort is made to ensure the school benefits from early payment discounts.

65. The Admin Team ensures that evidence is kept of the employment status test criteria applied (IR35), when dealing with payments to individuals. Where an individual has been assessed as self-employed, the Admin Team should request that the individual states his self-employment reference number on any invoice issued to the school.

Investments

66. Investments are only made in accordance with the Investment Policy approved by the Trust Board

67. All investments are recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

Reserves

68. Any overall surpluses or deficits (reserves) at the end of the year are carried over to the following year.

69. The CEO as Accounting Officer must inform the DfE immediately if a deficit is anticipated.

70. If the academy trust is anticipating a deficit at the end of any financial year, the Trust Board and CEO have a responsibility to ensure action is taken at the earliest opportunity to address this issue. The governing body must ensure that a recovery plan is submitted and approved by the DfE.

71. The academy trust undertakes to ensure that reserves of at least one months operating costs – 8% of income – are maintained at each academy.

Capital Projects

77. Local Governing Bodies will have responsibility for the upkeep of individual Academies within the Trust. Any proposed capital projects will firstly be approved, in principle, at local level. Depending on the size of the project either local funding can be sourced (DFC, Governors Building) or an application can be made for CIF (Condition Improvement Fund) grants or a combination of local funding and CIF can be used.

    Diocesan approved project managers have been appointed for each academy. These project managers handle the quote/tendering process. Once the funding has been secured and quotes/tenders accepted, a contractor will be appointed by the Headteacher who will keep the Local Governing Body updated at all stages. The project managers will liaise with the Headteacher and the contractor to discuss logistics and timings for work to commence. All work undertaken will be signed off by the project manager and any invoices for work will only be passed with their approval. The Capital Projects team at the Diocese may also be involved if DFC or Governors Building Fund is committed as part of any CIF grant.

Capital Reserves

78. Any overall surpluses at the end of the year are carried over to the following year.

79. It is the responsibility of the Finance Officers and the Capital Team at RCDOW to keep accurate records of the capital funds, especially where grants have been received for capital projects.

80. HMRC have issued guidance on how to classify expenditure for larger projects – Revenue Expenditure vs Capital Expenditure. This document can be found using the following link:

https://www.gov.uk/hmrc-internal-manuals/vat-government-and-public-bodies/vatgpb7540

Payroll

Staff Appointments

81. The governing body of each academy has approved a personnel establishment for their academy. Changes can only be made to this establishment with the express approval in the first instance of the Finance and Risk Committees, who must ensure that adequate budgetary provision exists for any establishment changes.

82. The Headteacher has authority to appoint staff within the authorised establishment except for members of the Senior Leadership Team whose appointments must follow consultation with the governors/Trustees. The School Business Managers (or other appointed member of staff) maintain personnel files for all members of staff which include contracts of employment.

83. The School Business Manager (or other appointed member of staff) is responsible for obtaining the relevant DBS checks and ensuring these are retained on file

Payroll Administration

84. Payroll is administered through the academy trust's payroll provider – EPM.

85. All staff are paid monthly through the payroll provider. A master file is created for each employee and held by the payroll provider which records:

- salary
- bank account details
- taxation status
- personal details
- any deductions or allowances payable
- other legal and relevant details

86. New master files can only be created by the payroll with the express approval of the Headteacher. Any master file amendments (Contract Amendments etc) made by the academy must be authorised by the Headteacher.

87. The academy will update SIMS and EPM with details of any staff absence (sickness and other absences) each week for payroll purposes.

88. The Finance Officer, HR Officer or other designated member of staff must complete a monthly staff return which provides details for all staff in the academy of sickness and other absences during the month and any new appointments or terminations. The staff return must be authorised by the Headteacher.

89. Timesheets for additional hours, temporary work or overtime undertaken are completed by the employee. In turn this is authorised by the budget holder or Headteacher. Timesheets must be submitted to payroll at the end of each month. Claims older than 2 months will not be accepted unless the claim covers the summer break.

90. The Finance Officer should prepare and distribute a timetable for payroll processing specifying key dates for the coming year.

Payments

91. Before payments are dispatched, a printout of all data should be obtained, including an exceptions report from the payroll provider and this should be checked against source documentation (Access Staffing in Budgets) by the School Business Manager and then reviewed and initialled by the Headteacher. Authority to release payment will be by the Finance Officer and the Headteacher.

92. All salary payments are made by BACS.

93. The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions. The amounts payable are summarised on the costings report.

94. After the payroll has been processed the nominal ledger will be updated. Postings will be made both to the payroll control account and to individual cost centres. The Finance Officer should review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and to identify any amounts posted to the suspense account.

95. Annually, the Finance Officer check each member of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel file. A letter of confirmation of annual salary will be given to support staff in April (or when pay award has been agreed) annually and to teachers after any Government pay award and performance management award has been processed, usually in November/December.

Salary advances

96. The trust does not award salary advances.

Overtime

97. Overtime is recorded by the individual and submitted by the end of each month to the Headteacher for authorisation.

98. The employee completes the claim forms.

99. Claim forms must not be submitted prior to work having been undertaken.

100. No payments for work undertaken will be made other than via the payroll system.

Severance payments

101. The academy trust is able to self-approve the non-contractual element of severance payments up to £50,000. A business case must be presented before agreeing a payment, using the form provided by DfE on Gov.uk.

102. Where the non-contractual element is on or over £50,000 prior approval from DfE must be sought.

103. The Accounting Officer must sign off and review each business case.

Ex-gratia payments

104. Any ex-gratia payments must be submitted to DfE for prior approval.

Income

DfE grants

105. The main sources of income for the academy are the grants from the DfE. The receipt of these sums is monitored directly by the Finance Officers who are responsible for ensuring that all grants due to the academy are collected.

Other grants

106. The receipt of these sums is monitored directly by the Finance Officers who are responsible for ensuring that all grants due to the academy are collected.

Trips

107. A lead member of staff must be appointed for each trip to take responsibility for the collection of sums due. The lead member of staff must prepare a record for each student intending to go on the trip showing the amount due. A copy of the record must be given to the Finance Officer.

108. Students should make payments via ParentPay.

109. The Finance team should maintain an up to date record on ParentPay for each student showing the amount paid and the amount outstanding. This record should be checked regularly and the lead member of staff is responsible for chasing the outstanding amounts.

110. Trips should be run at cost price, although allowance can be made for administrative fees and additional staff cover. Any surplus greater than £10 per pupil should be redistributed to parents. If the school decides to subsidise the school trip the amount of subsidy must be approved by the Headteacher or Budget Holder in advance of the booking being made.

Catering

111. If paid on ParentPay, the bank credits are reconciled on the finance system Access, on a weekly basis. Weekly checks are undertaken by the Finance Team and cross referenced to a pupil's records. Any debit balances are to be followed up on a weekly basis.

Lettings

112. The Finance Officer is responsible for maintaining records of bookings of facilities and for identifying the sums due from each organisation. Payments must be made in advance for the use of facilities.

113. Details of organisations using the facilities will be held by the Finance team who will establish a sales ledger account and produce a sales invoice from Access or manual invoice if receipts are to voluntary funds.

114. Copies of the organisations up to date relevant Public Liability, indemnity, insurance and qualifications (where relevant e.g. H&S, First Aid, Instructor etc.) are kept with the Letting Agreements and are reviewed at least annually.

Sundry income

Income from other sources (for example educational consultancy) is priced in consultation with the Headteacher. The transaction must not be undertaken until the price has been agreed and due diligence carried out on their ability to pay on a case-by-case basis, e.g. informing them of the payment terms and getting their agreement to these.

Gift aid

115. To ensure the academy trust, in its position as an exempt charity, receives all the monies it is entitled to the Finance Officer**:**

- reconciles income against records to confirm expected amounts have been received by the donor
- ensures the tax reclaimable from HMRC has been obtained and any relevant business use deductions have been made.

Bad debts

116. The academy trust chases all monies due, and those that have not been paid within 30 days of an invoice being issued, by telephone or letter.

117. If the debt remains unrecoverable after 6 months, or it becomes clear that the debt will not be repaid, the School Business Manager submits a report to Finance and Risk Committee for approval of write off.

118. The following write off limits apply:

- Up to £150 – Headteacher
- £151 to £500 – Accounting Officer
- Over £500 – Finance and Finance and Risk Committee

Receipts

119. Receipts should be issued for cash and cheques received above the de minimis of £25.

Purchasing

120. The academy trust must achieve value for money on all purchases. A large proportion of our purchases are paid for with public funds and we need to maintain the integrity of these funds by following the general principles of:

- Probity, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the academy
- Accountability, the academy is publicly accountable for its expenditure and the conduct of its affairs
- Fairness, that all those dealt with by the academy are dealt with on a fair and equitable basis

Routine Purchasing

121. Budget holders will be informed of the budget available to them at the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. Data detailing actual expenditure and committed expenditure (orders placed but not paid for) against budget will be supplied to each budget holder at regular intervals. Budget holders will be able to monitor data relating to their own budget areas via reports from Access.

122. Routine purchases up to £2,000 can be ordered by budget holders. In the first instance a supplier should be chosen using best value evidence. A quote or price must always be obtained before any order is placed. 2 quotes should be obtained for all purchases over £2,000 and under £10,000. 3 quotes should be obtained for all high value purchases over £10,000. Copies of all quotes must be attached to the requisition form.

Orders

123. All orders **must** be made, or confirmed, in writing using an official requisition form or email. The requisition or email order should be attached to the official purchase order on Access. Staff **must not** request goods or services over the telephone or online direct with suppliers. Orders must bear the signature of the Headteacher or designated person of authority, such as the Budget Holder.

124. There are certain supplies where purchase orders are not required which include, for example, utilities and catering.

125. Approved orders will be recorded in the purchase order module of Access which allocates a reference number and commits expenditure. Orders will be emailed to the supplier from the Finance team through Access.

126. Appropriate arrangements should be made for the delivery of goods to the academy. On receipt, the ordering department must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay. The ordering department must sign the GRN to accept the delivery and pass this to the Finance Department as

authority to pay. The Finance Department should scan and attach the delivery note to the invoice module in Access.

127. If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Finance team should be notified. The Finance team will keep a central record of all goods returned to suppliers and ensure that a credit is received for the correct amount.

128. All invoices should be sent to the Finance team. Invoice receipt will be recorded by the Finance team (and the invoice scanned) into Access. The Finance team will check:

- invoice arithmetically correct
- goods/ services received
- goods/services as ordered
- prices correct
- invoice authorised for payment
- payment authorised
- VAT treated correctly

129. If a budget holder is pursuing a query with a supplier the Finance team must be informed of the query and periodically kept up to date with progress.

130. The Finance team will then input details of payments to be made to the purchase ledger.

131. BACS payments are input by the Finance Team and authorised on-line by two signatories in accordance with the banking policy and procedures (see E-procurement and Payments above).

Orders over £10,000

132. At least three written quotations should be obtained for all orders over £10,000 to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained by budget holders for audit purposes. Telephone quotes are acceptable if these are evidenced and emailed confirmation of quotes has been received before a purchase decision is made and made in accordance with value for money principles.

Orders over £50,000

133. All goods/services ordered with a value over £50,000 or for a series of contracts which in total exceed £50,000 must be subject to formal tendering procedure or through a framework agreement.

Find a Tender

134. Purchases over the publicised valid value (currently £213,477) are to be dealt with in accordance with Public Sector regulations 2015. For updated information on Find a Tender thresholds for goods, services and works visit https://www.gov.uk/guidance/buying-procedures-and-procurement-law-for-schools/find-the-right-way-to-buy#euprocurementthresholds

The Procurement Act 2023

135 The Trust will comply with the Procurement Act 2023 and will consider DfE approved framework agreements for schools to buy goods and services.

136 All goods/services ordered at academy level with a value over £50,001, or for a series of contracts which in total exceed £50,000 must be subject to formal tendering procedures.

137 A compliant buying process over the public procurement thresholds, set out in the Procurement Act 2023, will be followed. This is legally required for purchases over the public procurement threshold set out in Procurement Act 2023 unless you use a framework agreement.

Using DfE Procurement Routes

138 It is noted that the Academy Trust Handbook 2026 states that the Trust **must** consider DfE opportunities when making purchasing decisions for goods and services and record their decision-making.

139 The Handbook explicitly states:

140 Trusts **must** use the Government Commercial Agency, Supply Teachers and Education Recruitment for their supply staffing requirements unless they have an alternative compliant agreement with rates which do not exceed those available through the framework.

141 Trusts **must** use the DfE Energy for Schools service or a DfE approved Energy deal as shown under Energy on Get Help Buying for Schools unless an alternative agreement of equivalent value for money has been sourced. This will apply when your energy contracts are renewed.

142 Trusts **must** ensure that all Management Information System (MIS) contracts are aligned with DfE's MIS framework by September 2027.

- where a contract expires before 1 September 2027, any contract extension **must** be for no more than 12 months, where the trust needs to re-procure and enter into a new contract, they can but **must** include the DfE's MIS Core Principles within their requirements to the market
- where a contract is due to run beyond 1 September 2027, trusts **must not** use extension options that delay transition
- trusts **must** use the DfE MIS framework when awarding their next full-term MIS contract

Trading with related parties and connected parties

143 The Trust will adhere to the guidelines in the Academy Trust Handbook pertaining to related parties. A Register of Interests will be maintained for all members of staff with purchasing control, Governors and Trustees. This Register of Interests will be updated annually and any conflict of interest will be minuted in each committee meeting.

Goods and services for private use

144 No goods are ordered or services provided to include any elements of private use by governors and staff.

Forms of Tenders

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

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

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

- there is a need to maintain a balance between the contract value and administrative costs,

- a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the academy's requirements,

- the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

- **Negotiated Tender:** The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:
  - the above methods have resulted in either no or unacceptable tenders,
  - only one or very few suppliers are available,
  - extreme urgency exists,
  - additional deliveries by the existing supplier are justified.

Preparation for Tender

146 Full consideration should be given to:

- objective of project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract.

147 It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

148 A tender brief must always be prepared and is reviewed by the Headteacher, Chief Executive Officer and the Diocesan Procurement Manager.

Invitation to Tender

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

150 An invitation to tender should include the following:

- introduction/background to the project
- scope and objectives of the project
- technical requirements
- implementation of the project
- terms and conditions of tender
- form of response
- dates for decision and work to be delivered

Tender Acceptance Procedures

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

Tender Opening Procedures

152 All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons should be present for the opening of tenders as follows:

- For contracts up to £50,000 - two of the budget holder, the Headteacher, School Business Manager
- For contracts over £50,000 - the School Business Manager or the Headteacher plus a member of the Trust Finance Committee

153 A separate record details the names of the firms submitting tenders and the amount tendered. The record is signed by all people present at the tender opening.

Tendering Procedures

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

155 Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.

156 Full records should be kept of all criteria used for evaluation and for contracts over £50,000 a report should be prepared for the Finance & Finance and Risk Committee highlighting the relevant issues and recommending a decision. For contracts under £50,000 the decision and criteria should be reported to the Finance & Finance and Risk Committee.

157 The accepted tender should be the one that is most advantageous to the academy, which will take account of both quality of service and existing relationship with the school as well as the cost of the contract. A waiver form should be completed to explain the rationale if the cheapest option has not been selected. All parties are then informed of the decision.

158 In exceptional circumstances, there may be instances where conducting a competitive process may not represent Best Value. Exemptions/waivers must be endorsed and recorded by the finance team and be approved by the Trust Board.

159 Exceptions/waivers will not be granted retrospectively. Where a contract is above the statutory limit for the Public Contracts Regulations a waiver cannot be granted.

Insurance

160 The Finance and Audit Committee reviews insurance arrangements annually. They ensure that the sums insured are commensurate with the risks and include cover for academy trust property when off the premises.

161 Consideration should be given annually to the Department for Education's Risk Protection Arrangements. RPA is an alternative to insurance where the UK government funds cover losses that arise. More information can be found at: https://www.gov.uk/guidance/academies-risk-protection-arrangement-rpa

162 All staff must ensure that all valuables are kept under lock and key when not being used in a supervised manner.

163 The first £500 of replacement has to be funded by the department concerned as no budget is held centrally. Items under £500 will receive no insurance pay out and it is up to the department concerned as to whether the item is replaced or not.

Governors/Trustees Expenses

164 All governors/Trustees of this academy trust are entitled to claim the actual costs, which they incur as follows:

- childcare or baby-sitting allowances (excluding payments to a current/former spouse or partner)
- cost of care arrangements for an elderly or dependent relative (excluding payments to a current/former spouse or partner)
- the extra costs they incur in performing their duties either because they have special needs or because English is not their first language
- the cost of travel relating only to travel to meetings/training courses at a rate of 45 pence per mile which does not exceed the specified rates for school personnel
- travel and subsistence costs, payable at the current rates specified by the Secretary of State for the Environment, Transport and the Regions, associated with attending national meetings or training events, unless these costs can be claimed from the any other source
- telephone charges, photocopying, stationery, postage etc.
- any other justifiable allowances (as agreed with Chair of Resources or Chair of Trustees)

165 The Governing Body acknowledges that:

- Governors/Trustees are not be paid attendance allowance
- Governors/Trustees are not reimbursed for loss of earnings

166 Governors/Trustees wishing to make claims under these arrangements, must complete a claim form from the School Business Manager together with the relevant receipts. The form must be submitted to the Finance team within two weeks of the date when the cost were incurred, when they will be submitted for approval by the Chair of Governors/Trustees or Chair of Finance & Resources to be presented to the Finance Committee for final approval.

167 Claims will be subject to independent audit and may be investigated by the Chair of Governors (or Chair of Finance in respect of the Chair of Governors) if they appear excessive or inconsistent.

Gifts

168 Ordinarily such gifts should be rejected, unless they are of negligible value (e.g. diaries, calendars). However, any gifts or hospitality in excess of £25 are reported to the Accounting Officer in order to protect the individual receiving the gift. This is particularly important where the person receiving the gift is a budget holder, has the ability to influence purchasing decisions or regularly receives reimbursement from the school for items other than travel expenses (see Donations Policy for further details).

169 Gifts that have been reported are entered onto the gifts and hospitality register.

Energy Management

170 Each academy within the Trust has purchased the Energy Management service level agreement with the London Borough of Harrow. Site Managers are responsible for recording, monitoring and analysing water, gas and electricity consumption in conjunction with the Energy Management Team. Meters should be checked periodically (once a term) before authorising any invoices from the utilities providers. Any discrepancies or unusual reading should be raised with the Energy Management Team and the provider immediately.

171 The Site Manager ensures that the school's heating system is operated and run as efficiently as possible.

172 The Energy Management Team ensures that the school is purchasing energy at the most competitive prices available.

173 All staff have the responsibility to work in an energy efficient manner at all times (e.g. turning off computers, lights and heating when not required).

Fraud

174 The trust does not tolerate fraud. Where instances of fraud exceeding £5,000 individually or cumulatively are found, the board of trustees will notify the ESFA as soon as possible.

Whistleblowing

175 The Academy Trust has procedures for whistleblowing. The policy is agreed by the trustees. All staff should be made aware of the policy and how their concerns will be managed. They must also be made aware of who they can approach to report a concern. Policy is on the Trust website.

Leasing`

176 There are 2 types of lease:

- Finance leases: these represent borrowing and are not allowed under the Academy Trust Handbook. Approval for finance leases must be obtained, if it is not on the pre-approved list, from the DfE prior to the transaction
- Operating leases: these are not borrowing and do not require ESFA approval.

The Trust will not undertake Finance leases.

VAT

VAT 126 form

177 The Finance Officers are responsible for generating the VAT 126 form for their own academy each month. A spreadsheet will be forwarded to the School Business Manager at TSHLC once the bank reconciliation has been completed, usually the middle of the following month.

178 The School Business Manager at TSHLC will consolidate the information for the 4 academies and submit the VAT 126 report for the Trust.

179 The Chief Finance Officer will arrange for the funds to be repaid to each academy from the Trust bank account when the reimbursement is received from HMRC.

Fixed Assets

Introduction

180 The academies within the Trust occupy church land and buildings. For any acquisition or disposal of land or buildings the Supplemental Agreement must be referenced.

Fixed assets include:

- land
- buildings
- computer equipment
- motor vehicles
- Furniture & equipment

181 Fixed assets are depreciated as follows:

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows

- Freehold and long leasehold buildings – 2-10% per annum
- Fixtures, fittings and equipment – 6.67-20% per annum
- Computer equipment – 25% per annum
- Motor vehicle – 6.67-20% per annum

Depreciation is charged from the month of acquisition.

168 The Academy Trust must seek prior approval from the DfE before acquiring a freehold of land or buildings as per ATH as well as involving the Diocese of Westminster.

Fixed Asset Register

169 All items purchased with a value over the Academy Trust's capitalisation limit of £5,000 must be entered in an asset register. Other attractive items below the limit could be included to assist with insurance claims. The Asset Register helps:

- ensure that staff take responsibility for the safe custody of assets;
- enable independent checks on the safe custody of assets, as a deterrent against theft or misuse;
- to manage the effective utilisation of assets and to plan for their replacement;
- help the external auditors to draw conclusions on the annual accounts and the academy's financial system;
- support insurance claims in the event of fire, theft, vandalism or other disasters.

170 The Chief Financial Officer is responsible for maintaining the fixed asset register.

171 The asset register should include the following information:

- book value of items transferred in
- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding (% of original cost funded from ESFA grant and % funded from other sources)
- expected useful economic life
- depreciation (incl. brought forward and carried forward)
- current book value
- location
- name of member of staff responsible for the asset
- disposals

172 Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.

173 All the items in the register should be permanently marked as the academy's property. If the academy chooses to use an invisible form of marking, then the item of equipment must carry a visible reference to the fact that the equipment has been security marked. Items not security marked are potentially not covered by insurance.

174 There should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Trust Board. Inventories of Academy Trust property should be kept up to date and reviewed regularly. Where items are used by the Academy Trust but do not belong to it this should be noted.

Disposals

175 The Academy Trust must ensure that any disposal achieves the best price that can reasonably be obtained, and maintains the principles of regularity, propriety and value for money.

176 Items which are to be disposed of by sale or destruction must be authorised for disposal by the Chief Financial Officer up to £500, the Headteacher between £501 and £1,000 and up to £5,000 by the Finance, Audit & Risk Committee, over £5,000 by the Trust Board. Where significant, the items should be sold following competitive tender.

177 The academy must seek the approval of the DfE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

178 Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the academy obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the Academy would need to ensure licences for software programmes

have been legally transferred to a new owner.

Assets on Loan

179 Items of Academy Trust property must not be removed from Academy Trust premises without the authority of the Head of Department. A record of the loan must be recorded in a loan book and booked back into the school when it is returned. Exceptions are made for school phones, school laptops, school ipads and school textbooks, all of which may be needed at home on a regular basis and for which permissions may be assumed for them to be taken home in order to allow staff to work at home.

180 If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the academy's auditors.

Risk Register

181. The Trust has developed a Risk Register with iterations at both school and trust level.
182. The Risk Register is to be checked and updated, if necessary, as part of Finance committee meetings at school level and by the Finance, Audit and Risk Committee at Trust Board level.