



Financial Regulations Policy

(Including Scheme of Financial
Delegation)

This is a mandatory policy for all Vine schools that has been noted and implemented with no amendments by this school.

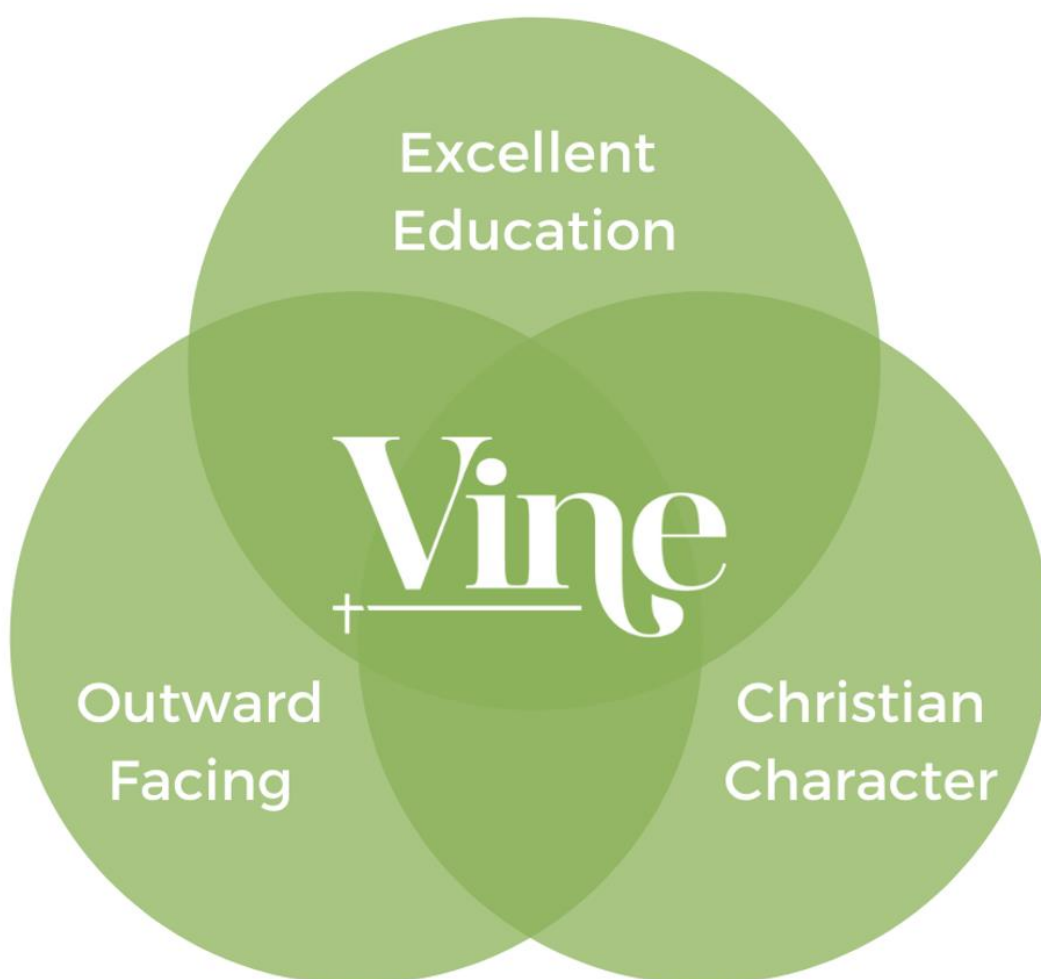
Policy Reference:	F001 v3.3
Approved by Vine Schools Trust on:	Spring 2024
Adopted by this school on:	Spring 2024
Next review:	Spring 2025

I am the vine; you are the branches.
If you remain in me and I in you, you
will bear much fruit

JOHN 15:5

Vision & Values

V Valuing every person
I Inspiring great teaching
N Nurturing academic excellence and Christian Character
E Excelling, unlocking great potential



Change Log

Page	Section	Details
8	1.14	Accepted generic authorisations accepted from HR and Payroll dcvst email addresses.
20	3.1.5.1	FP changed to AC.
20	3.1.5.2	FP changed to CPT.
22	3.5.2	Expense claims received more then three months after the date the expense was incurred will no longer be processed.
26	3.9.1.1	Over budget order process removed as monitored internally on a monthly basis by FP/SFCM and CFO.
26	3.9.1.2	FP changed to AC.
32	4.3.4.2	CPT added.
32	4.3.4.3	FP changed to TFO and TF changed to TFO.
33	4.3.6.5	Email changed to complianceandonitoring@dcvst.org
37	5.3.2	Annual Budget process changed to signed by SA, before submission to the CFO for recommendation by the Trust Finance, Risk and Audit Committee to The Vine Trust Board.
40	5.7.4	Interim budget process changed to signed by SA prior to submission to the CFO.
40	5.8.2	Trust Finance on a Page must be uploaded to the Government Document Exchange site each month.
47	10.1.1.5	Updates to mandated bank signatories no longer needs to be recorded in the minutes of the LSB.
47	10.1.2.3	FP changed to CPT and the input into the accounting system updated to ten working days.
47	11.1.3.4	Included Section for Waiver Form
48	10.1.3.7	FP changed to CPT and the input into the accounting system updated to ten working days.
53	11.1.5	Over budget order process updated.
53	11.1.5.5	Section removed.
54	11.3.13	Included that payments against pro-forma invoices can only be made in exceptional circumstances with the agreement of either the DFO or the CEO.
57	11.3.4.8	FP changed to CPT and the input into the accounting system updated to ten working days.
65	12.1.10	FP changed to TFO.
66	12.1.16	FP changed to AC.
76	14.6.2	FO changed to Estates Team.
90	16.1.1e	Updated authorisations for CEO and SCFM
93	Appendix 16.2	Address section removed and addition of the three months claim deadline included.

Contents

Contents	4
1. General	7
2. Organisation and Structure	8
3. Day to Day Delegation of Authority	18
3.1. Expenditure Limits	18
3.2. Funding Reconciliation	19
3.3. Write offs and liabilities	19
3.4. Disposal of Assets or Adjustments to Academy Inventory	20
3.5. Mileage Allowances and Subsistence Claims	20
3.6. Receiving of Goods / Acknowledgement of Service	22
3.7. Devolved Formula Capital Grant (DFCG)	22
3.8. Staff Appointments / Terminations	22
3.9. Additional Hours, Salary Advances and Absences	24
3.10. Monitoring Salary Payments	24
3.11. Supply Staff	24
3.12. Contract Approval	25
3.13. Insurance moved to new section 15	25
3.14. VAT Returns	25
3.15. Notice to Improve	25
4. Internal Control	26
4.1. Responsibilities	26
4.2. Separation of duties	27
4.3. Accounting System	28
4.4. Internal Control Audits – Responsible Officer	30
4.5. Vine Trust Monitoring	31
4.6. External Auditors	32
5. Financial Planning	32
5.1. Development Plan	32
5.2. The Budget Cycle	33

5.3.	Budget	34
5.4.	Other Government Funding	36
5.5.	Other Grants and Specific Funding	36
5.6.	Virements	36
5.7.	Revised Budgets	36
5.8.	Monitoring and review	37
5.9.	School Resource Management Self-Assessment Tool (SRMSAT)	37
6.	External Audit Arrangements	37
7.	Returns	38
7.1.	Annual Accounts	38
7.2.	ESFA Financial Returns	38
7.3.	Financial Management and Governance Self-Assessment (FMGS)	39
8.	Document Retention	39
9.	Assets and Inventory	39
9.1.	Fixed Assets	39
9.2.	Inventory	41
9.3.	Security	42
10.	Banking Arrangements / Cash Management	42
10.1.	Banking	42
10.2.	Petty Cash	44
10.3.	Purchase Cards	45
10.4.	BACS Procedures and Controls	46
10.5.	Investments	47
11.	Purchasing and Payment Procedures	47
11.1.	Routine Purchasing	47
11.2.	Internet Purchases	50
11.3.	Payments and Procedures	51
11.4.	Tendering Procedures	54
11.5.	Official Journal of the European Union	58
11.6.	Existing Contract Review and Procedures	58
12.	Payroll and Personnel Procedures	59
13.	Income	61
13.1.	EFSA Grants	61
13.2.	Other Grants	61

13.3.	Other income	61
13.4.	Invoiced Income	63
13.5.	Gift Aid	63
13.6.	Overdue Income	63
14.	Risk Management	63
14.1.	Internal Scrutiny	63
14.2.	Register of Interests, Gifts & Hospitality	64
14.3.	Register of Persons with Significant Control (PSC)	65
14.4.	Gifts & Hospitality	66
14.5.	Trading with Connected Parties	67
14.6.	Business Continuity	68
14.7.	Risk Registers	68
15.	Insurance	69
16.	Appendices	69
16.1.	Scheme(s) of Financial Delegation (SoFD)	69

1. General

- 1.1. The Diocese of Chelmsford Vine Schools Trust (Vine Trust) Board of Directors is the legal entity which is responsible for all of the trusts academies. It is their duty to ensure that academies operate efficiently, legally, judiciously and safely.
- 1.2. In accordance with The Trust Handbook (TH) and Education & Skills Funding Agency (ESFA) updates, the Directors of the Vine Trust understand that they must apply the highest standards of conduct and ensure robust governance as these are critical for effective financial management as per section 1.12 of the TH 2022. In so doing, they hereby recognise the need to lay down formal policy for the overall management of the Vine Trust budgets and the day-to-day management of the Trust's financial affairs.
- 1.3. The purpose of this financial regulations manual is to ensure that each academy within The Diocese of Chelmsford Vine Schools Trust (Vine Trust) maintains and develops systems of financial control, which conform to the requirements of regularity, propriety and value for money. It is essential that these systems operate properly to meet the requirements of our funding agreements with the Secretary of State for Education, through the Education & Skills Funding Agency (ESFA).
- 1.4. The Vine Trust and its academies **must** comply with the principles of financial control outlined in the [Academies Trust Handbook](#) (ATH) published by the Department for Education (DfE). This financial regulations manual expands on that and provides more detailed information on the Vine Trust's accounting procedures and systems which should be read by all staff involved with financial systems and adopted in all academies within the Vine Trust.
- 1.5. This financial regulations manual provides information and guidance on day-to-day operations and practicalities forming from this financial regulation's manual.
- 1.6. The general conditions that follow are subject to annual review and consideration by the Board of Trustees, who **must** formally minute both the review and any subsequent amendments and approval each year.
- 1.7. A predetermined Scheme of Financial Delegation (SoFD) operates in conjunction with this financial regulations manual. Academies **must** adhere to the SoFD, only the Vine Trust Board can approve variances to an academies SoFD. The SoFD for each academy can be found within [Appendix 16.1](#)
- 1.8. The TH schedule of requirements, part 8: Schedule of requirements, identifies the '**musts**' that the Vine Trust and its academies need to satisfy. The Board, Executive Headteachers, Headteachers, Heads of School, Local Boards, Local Governing Bodies, Academy Finance Lead's, Central Finance Staff and all other staff with financial responsibility **must** be aware of their responsibilities and for ensuring that correct, compliant and robust procedures are in place and operating effectively.

- 1.9. The Directors confirm that failure to observe the conditions set out in the financial regulations manual is considered a serious matter and might involve disciplinary procedures being taken against the individual(s) concerned.
- 1.10. The Directors confirm that day-to-day financial management of a school within the Vine Trust is delegated to the Executive Headteacher or Headteacher of that school subject to exceptions contained in these regulations.
- 1.11. Where the Executive Headteacher or Headteacher wishes to delegate certain financial matters or activities, then the level and detail of that delegation will require the approval of the Accounting Officer (CEO) and Chief Financial Officer (DFO). Any changes to a local SoFD **must** be reported to the Finance, Risk & Audit Committee and notified in writing to the individual(s) concerned, furthermore an addendum will be attached to the local SoFD recognising the local changes.
- 1.12. Whilst the main financial responsibilities are listed for the Local Schools Board, Board of Directors and Finance, Risk & Audit Committee, their terms of reference are not included in this document. Similarly, all the financial duties of school and central staff are not listed but may be found in their job descriptions.
- 1.13. The Board of Directors **must** appoint, in writing, a senior executive leader (Chief Executive Officer) who is appointed as the Accounting Officer and who **must** have appropriate oversight of financial transactions as per section 1.25 of the TH 2022.
- 1.14. Throughout this policy, the requirement for a 'signature' can be fulfilled by way of an electronic signature from a Vine 'personal' login (generic authorisations are not acceptable) as an alternative to a traditional 'wet' signature on a physical document, exception is Contract Information Forms which utilise HR@dcvst.org and payroll related matters which utilise payroll@dcvst.org.

2. Organisation and Structure

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

2.1. Vine Trust Board of Directors (The Board)

- 2.1.1. The Board has overall responsibility for the administration of the Vine Trust's finances. The Board should identify the skills and experience that it needs and address any gaps through recruitment and/or induction, training and other development activities. The Board should also address this for any local governing bodies it has put in place. The Board should use the DfE's competency framework for governance to help determine any skills gaps.

- 2.1.2. The main responsibilities of the Board of Directors are prescribed in the Funding Agreement between the Vine Trust and the ESFA and in the Trust's scheme of government, the main responsibilities include:
- 2.1.2.1. Ensuring that funds are used only in accordance with the law, its articles of association, the board's powers under the Funding Agreement and the current TH
 - 2.1.2.2. Ensuring proper stewardship of the funds, including regularity and propriety, and for ensuring economy, efficiency and effectiveness in their use (value for money)
 - 2.1.2.3. Ensuring the proper governance and conduct of the trust under the terms of the Charity Commissions guidance for academies in Academy Schools: guidance on their regulation as charities, and guidance notes: CC3: The Essential Trustee and CC8 – Internal Controls for Charities
 - 2.1.2.4. Being aware of their statutory duties as company directors, which are set out in sections 170 to 177 of the Companies Act 2006
 - 2.1.2.5. Appointment of a clerk who is someone other than a trustee, governor, Headteacher/Principal or Chief Executive. The Governance Professional should be able to provide the board with administrative and organisational support, procedural advice, guidance on legal and regulatory framework compliance.
 - 2.1.2.6. Approval of the annual budget
 - 2.1.2.7. Appointment of the Principal/EHT/HT in Vine Trust schools and the Chief Financial Officer in conjunction with the Chief Executive Officer
 - 2.1.2.8. Ensuring an adequate process exists for independent checking of financial controls, systems, transactions and risks under section 3.1 Internal Scrutiny of TH 2022.
 - 2.1.2.9. Ensuring the maintenance and regular review of a register of the risks arising from the operation of the trust including the likelihood and materiality of each risk and how they are being managed or mitigated. The trust must maintain a risk register under section 2.38 of the TH 2022
 - 2.1.2.10. Ensuring the register of people with significant control (PSC) is filed with Companies House as part of the annual confirmation statement
 - 2.1.2.11. Approval of the Vine Trust Financial Regulations and Schemes of Delegation
 - 2.1.2.12. Appointing / agreeing the continued appointment of the trust's auditors and ensuring the contract takes the form of a letter of engagement for the external audit. Additional services purchased must have a separate letter of engagement specifying the precise requirements of the work and the fees to be charged; as per section 4.5 TH 2022
 - 2.1.2.13. Notifying the ESFA immediately of the removal or resignation of the auditors; as per section 4.7 TH 2022.
 - 2.1.2.14. Approval of the annual financial statements and the accounting policies used to prepare the financial statements
 - 2.1.2.15. Ensuring the trust has a clear plan for the use of any financial surplus for the benefit of the pupils as per section 5.28 TH 2022.

- 2.1.2.16. Approval of the Trustees' Annual Report and Governance Statement
- 2.1.2.17. Approval of the Terms of Reference of the Finance, Risk and Audit Committee
- 2.1.2.18. Taking ownership of the Trust's financial sustainability and its ability to operate as a going concern.
- 2.1.2.19. Keeping members informed of Trust business, including providing every member with a copy of, or access to the Trust's audited annual report and accounts in accordance with the Companies Act.

2.1.3. Apart from the above, delegation of the Trust's financial matters have been made to the Finance, Risk & Audit Committee and the functions of an Audit Committee have been included within the Finance, Risk & Audit Committee.

2.2. Vine Trust Finance, Risk and Audit Committee

2.2.1. The Finance Risk and Audit Committee is a committee of The Board which must meet at least termly, more frequently if necessary.

2.2.2. Responsibilities of the Finance, Risk and Audit Committee are detailed in the committees Terms of Reference, which have been authorised by The Board.

2.2.3. The Committee's main financial responsibilities include:

- 2.2.3.1. Initial review and authorisation of the annual budget (final approval must be by the Full Board of Directors)
- 2.2.3.2. Receiving monthly management reports, to facilitate the monitoring of the Trust's actual financial performance compared with budgeted priorities and cash flow, and to take remedial action as necessary. Such action will be reported to the Board of Directors; in all cases liaison must be maintained with other appropriate committees.
- 2.2.3.3. Reviewing and monitoring of budget projections / medium term financial plans to ensure the Academy's budget is realistic and any financial decisions are sustainable.
- 2.2.3.4. Ensuring the annual accounts and returns are produced in accordance with the requirements of the Companies Act 1985 and the ESFA guidance issued to academies;
- 2.2.3.5. Authorising the award of contracts and leases over FIND A TENDER limit over the contract / lease lifetime
- 2.2.3.6. Authorising changes to the Schools and Central personnel establishment.
- 2.2.3.7. Apart from the annual budget which must be approved by the Board of Directors, approval of cash flow forecasts and any other reporting requirements for the forthcoming financial year in accordance with the timescales dictated by the TH and TH / ESFA updates.
- 2.2.3.8. Making decisions on requests from other committees that will have an impact on an Academy's financial position (where this has not already been delegated e.g. balance of School Improvement Holdback to the Standards Committee).
- 2.2.3.9. Determining the Trust's financial priorities through the Trust Development Plan (TDP) the Asset Management Plan (AMP) and ICT Development plan.

- 2.2.3.10. Making decisions on expenditure within the Committee's delegated powers.
- 2.2.3.11. Noting and ratifying any school interim budget revisions submitted to and approved by the CFO.
- 2.2.3.12. Reviewing annually the Academy's Financial Regulations and Scheme of Delegation.
- 2.2.3.13. Reviewing annually the Terms of Reference of the Finance, Risk & Audit Committee.
- 2.2.3.14. Ensuring the Register of Business Interests is kept up to date.
- 2.2.3.15. Annually reviewing all ongoing contracts.
- 2.2.3.16. Reviewing the various leasing agreement schemes and options available to the Trust and its schools.
- 2.2.3.17. Awarding of contracts by tender up to a specified limit.
- 2.2.3.18. Monitoring **all** spending and income received in the Trust including Trading Accounts.
- 2.2.3.19. Ensuring that funding from the ESFA and other sources is used only in accordance with any conditions attached.
- 2.2.3.20. Receiving and commenting on the content of any audit report or Responsible Officer report relating to ESFA funding and monitoring the implementation of the agreed action plan. These reports must also be reported to the Board of Directors.
- 2.2.3.21. Annually reviewing and recommending to the Board of Directors, if appropriate, the independent external auditor to the Trust.
- 2.2.3.22. Agreeing and determining appropriate charges for lettings of the premises, in line with the Trust's lettings policy.
- 2.2.3.23. Ensuring the Trust has appropriate internal financial controls in place and adheres to the policies and procedures as set out within the TH, Dear Accounting Officer letters and ESFA updates.

2.2.4. The Committee's main risk and audit responsibilities include;

- 2.2.4.1. Reviewing the trust's internal and external financial statements and reports to ensure that they reflect best practice
- 2.2.4.2. assess the effectiveness and resources of the external auditor, including their sector experience, understanding of the trust and its activities, knowledge and integrity of partners and staff, ability to robustly challenge trust staff;
- 2.2.4.3. Discussing with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest co-operation of staff.
- 2.2.4.4. Considering all relevant reports by the appointed external auditor, including reports on the trust's accounts, achievement of value for money and the response to any management letters
- 2.2.4.5. Reviewing the effectiveness of the academy's internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner.

- 2.2.4.6. 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; this **must** be extended to cover all constituent schools within the Trust.
 - 2.2.4.7. Receiving and commenting on the content of any audit report relating to ESFA funding and monitoring the implementation of the agreed action plan. These reports must also be presented to the Board of Trustees.
- 2.2.5. Specifically, the TH 2022 s4.17 says the Finance, Risk and Audit Committee **must**;
- 2.2.6.
- 2.2.6.1. Review the external auditors plan each year
 - 2.2.6.2. Review the annual report and accounts
 - 2.2.6.3. Review the auditors findings and actions taken by the trusts managers in response to those findings
 - 2.2.6.4. Assess the effectiveness and resources of the external auditor to provide a basis for decisions by the trust's members about the auditor's reappointment or dismissal or retendering. Considerations may include;
 - the auditor's sector expertise
 - their understanding of the trust and its activities
 - whether the audit process allows issues to be raised on a timely basis at the appropriate level
 - the quality of auditor comments and recommendations in relation to key areas
 - the personal authority, knowledge and integrity of the audit partners and their staff to interact effectively with, and robustly challenge, the trust's managers
 - the auditor's use of technology
 - 2.2.6.5. produce an annual report of the committee's conclusions to advise the board of trustees and members, including recommendations on the reappointment or dismissal or retendering of the external auditor, and their remuneration.
- 2.2.7. Employees should not be audit and risk committee members, but the CFO and accounting officer should attend meetings to provide information; where the function is combined with another committee, employees should not participate in audit and risk management discussions.
- 2.2.8. The Chair of trustees should not be chair of audit and risk committee.

2.3. Accounting Officer (AO)

- 2.3.1. The Vine Trust has designated the Chief Executive Officer (CEO) the senior executive officer of the Vine Trust, as its Accounting Officer (AO), who is personally responsible to Parliament.
- 2.3.2. Within the framework of the Trust Development Plan as approved by the Board of Directors, the CEO has overall executive responsibility for the Trust's activities including financial activities.
- 2.3.3. The Accounting Officer has a personal responsibility for;

- 2.3.3.1. Assuring the board that there is compliance with the Handbook, the Funding Agreement and all relevant aspects of company and charitable law.
 - 2.3.3.2. The propriety and regularity of the public finances for which they are answerable
 - 2.3.3.3. Keeping proper accounts
 - 2.3.3.4. Prudent and economical administration
 - 2.3.3.5. Avoidance of waste and extravagance
 - 2.3.3.6. Economic, efficient and effective use of all the resources in their charge (value for money) in order to achieve the best possible educational outcomes
 - 2.3.3.7. Providing local governors and Directors with the relevant information on 'value for money' for inclusion in the annual governance statements.
 - 2.3.3.8. The management of opportunities and risks
 - 2.3.3.9. Acting under section 1.33 of TH 2022 if they consider at any time that the Board is failing to act under the terms of the Handbook or the Funding Agreement.
 - 2.3.3.10. Notifying the ESFA's accounting officer immediately and in writing, if the accounting officer considers that action proposed by the board is in breach of the articles, the funding agreement or the TH, and they intend to proceed despite having been advised that the action contravenes the aforementioned regulations.
 - 2.3.3.11. Adherence to ['The 7 principles of public life'](#)
- 2.3.4. Whilst much of the financial responsibility within the Trust is delegated to the Chief Financial Officer and the day-to-day financial management of schools within the Trust to the EHT/HT, subject to exceptions contained in these regulations and the Vine Trust Scheme of Delegation The Accounting Officer retains responsibility for;
- 2.3.4.1. Ensuring that bank accounts, financial systems and financial records are operated by more than one person
 - 2.3.4.2. Safeguarding the trust's property to prevent losses and misuse including maintenance of adequate fixed asset registers
 - 2.3.4.3. Keeping full and accurate accounting records
 - 2.3.4.4. Preparing accruals accounts in accordance with existing accounting standards
 - 2.3.4.5. Approving new staff appointments within the authorised establishment (where necessary), except for any senior staff posts which the Board of Directors have agreed should be approved by them.
 - 2.3.4.6. Authorising contracts, commitments and payments subject to limits set out in the relevant Scheme of Financial Delegation ([Appendix 16](#)), contained within this document.
 - 2.3.4.7. Signing the Trust's annual governance statement, jointly with the Chair of the Board of Directors (see latest Academy Accounts Direction).
 - 2.3.4.8. Signing the Trust's annual Statement on Regularity, Propriety and Compliance (see latest Academy Accounts Direction), to be submitted to the ESFA annually with the audited accounts, and other returns as required by the ESFA.
 - 2.3.4.9. Attending meetings of the Audit Committee

- 2.3.5. Further detailed responsibilities are included in the CEO job description and within the TH.

2.4. Finance Director (FD)

- 2.4.1. The DFO has a role for contract approval, purchasing and payments as defined in each academy's and the Trusts SoFD.

2.5. Chief Financial Officer (CFO)

- 2.5.1. The Trust have a Chief Financial Officer, appointed by the Trust Board, who works in close collaboration with the Chief Executive Officer through whom he or she is responsible to Directors. The CFO must be appropriately qualified and/or experienced, should play both a technical and a leadership role and should be employed by the Trust; ESFA prior approval must be obtained if the Trust has exceptional circumstances under which it proposes to appoint a CFO.
- 2.5.2. The CFO also has direct access to the Directors via the Finance, Risk & Audit Committee.
- 2.5.3. The Board has designated the Director of Finance and Operations (DFO) as the Chief Financial Officer of the Vine Trust.
- 2.5.4. The main responsibilities of the Chief Financial Officer are;
 - 2.5.4.1. The day to day management of financial issues including the establishment and operation of a suitable accounting system.
 - 2.5.4.2. The management of the Trust' financial position at a strategic and operational level within the framework for financial control determined by the Directors.
 - 2.5.4.3. Working with the AO has day-to-day responsibility for monitoring Vine Trust income and expenditure.
 - 2.5.4.4. The maintenance of effective systems of internal control.
 - 2.5.4.5. Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the Trust
 - 2.5.4.6. The preparation of monthly management accounts.
 - 2.5.4.7. VAT returns
 - 2.5.4.8. Acts as an authorised signatory for contracts, orders, payments and transactions as defined within the Scheme of Financial Delegation as defined within these regulations.
 - 2.5.4.9. Ensuring forms and returns are sent to the ESFA in line with the timetable in the published guidance and bulletins
- 2.5.5. Further detailed responsibilities are included in the DFO job description and within the TH 2022

- 2.5.6. The CFO is the 'over budget approver' for the Vine Trust as defined in each Trust's SoFD.
- 2.5.7. The role of 'over budget approver' may be delegated to a Trust Approver (TA), discretionary levels and procedures are detailed within these regulations and the Central Operations Scheme of Delegation ([Appendix 16.1.1e.](#))

2.6. Local Schools Board / Local School Board (LGB/LSB)

- 2.6.1. The Schools will have a LGB or LSB who will work in close collaboration with the Academy Trust's central staff. Their responsibilities are set out in the Vine Schools Trust Scheme of Delegation and the Local Schools Boards Term of Reference and Governance Scheme of Delegation and include the following:
- 2.6.1.1. Maintain and develop the Christian distinctiveness of the school including links with the linked church(es);
 - 2.6.1.2. Ensure clarity of vision, ethos and strategic direction set the Vine Trust Board along with the individual school vision with the context of the Church of England's Vision for Education;
 - 2.6.1.3. Be aware of and support the wellbeing of the Executive Headteacher/headteacher(s), staff and children in each school;
 - 2.6.1.4. Hold the Executive Headteacher/headteachers to account for the educational performance of the school and its pupils primarily through the termly Headteachers Report, analysing performance data and holding the headteachers to account for progress against the School Improvement Plan and School Improvement Leads Reports;
 - 2.6.1.5. Ensuring the effective and efficient performance management of staff (but not the headteacher) is carried out under the terms of the latest Vine Schools Trust Pay Policy;
 - 2.6.1.6. Ensure that the school has a Trust agreed budget and that any forecast variances have been reported to the DFO. Full financial governance is managed directly by the Vine Director of Finance and Operations (DFO) overseen and accountable to by the Finance, Audit & Risk Committees of the Vine Trust Board. The role of the Local Schools Board will typically not be involved in the detail.
 - 2.6.1.7. Scrutiny of the annual budget before recommending to the Vine Finance, Risk & Audit Committee for approval.
 - 2.6.1.8. Determining the Academy/academies financial priorities through the School Improvement Plan (SIP) and the Asset Management Plan (AMP).
 - 2.6.1.9. Receiving monthly management reports to facilitate the monitoring of the Academy/academies actual financial performance compared with budgeted priorities and cash flow, and to take remedial action as necessary.
 - 2.6.1.10. Inform The Board through the CFO at the earliest opportunity if a budget is, or projected to be, overspent or if the 3-year position forecasts a deficit.
 - 2.6.1.11. Making decisions on expenditure within the delegated powers set out in the Scheme of Financial Delegation (Appendix 16) and the Scheme of Delegation (SoFD).
 - 2.6.1.12. Recommend adjustments to the budget to the CFO for authorisation.

- 2.6.1.13. Ensuring the Register of Business Interests is kept up to date.
- 2.6.1.14. Ensuring that funding from all sources is used only in accordance with any conditions attached.
- 2.6.1.15. Receiving and commenting on the content of any audit report and monitoring the implementation of the agreed action plan.
- 2.6.1.16. Determining and agreeing appropriate charges for lettings of the premises, in line with the lettings policy.
- 2.6.1.17. Ensuring the Academy/academies adhere to the policies and procedures as specified by The Board.
- 2.6.1.18. Ensuring the Academy/academies have appropriate financial controls in place.
- 2.6.1.19. Reviewing and monitoring budget projections / medium term financial plans to ensure the budget(s) is/are realistic and any financial decisions are realistic.

2.7. Executive Headteacher (EHT)/Headteacher (HT)

- 2.7.1. Whilst much of the financial responsibility within the Trust is delegated to the Chief Financial Officer, the day-to-day financial management of schools within the Trust is delegated to the EHT/HT, subject to exceptions contained in these regulations and the Vine Trust Scheme of Delegation.
- 2.7.2. The EHT/HT, in consultation with the LGB/LSB and/or CFO, may wish to permanently delegate certain financial matters or activities. The level of any such delegation shall be notified in writing to the individual(s) concerned and recorded in the minutes of the next available LGB/LSB meeting.
- 2.7.3. The EHT/HT can delegate responsibility but remains accountable for financial matters.

2.8. Trust Finance Manager (TFM)

- 2.8.1. The Trust Finance Manager (TFM), in conjunction with the CFO, has responsibility for the day to day management of Trust central financial operations as determined by these regulations and the appropriate job description.
- 2.8.2. The Trust should employ a suitably experienced TFM to support the CFO and Finance, Risk & Audit Committee to manage and protect central resources appropriately and monitor academy financial operations.
- 2.8.3. The TFM will work with the CFO and FP's to ensure the trust and academies financial processes and policies are followed.
- 2.8.4. The TFM will be responsible for the effective use of resources within the central operations team and will notify the CFO of any issues. It is the responsibility of the CFO to notify the CEO/Finance, Risk & Audit Committee at the earliest opportunity.
- 2.8.5. The TFM is the Primary Approver for day-to-day items and services, within the appropriate Scheme of Financial Delegation (SoFD) included within these

regulations, where this has previously been approved in principle as part of a pre-approved budget.

2.9. Senior Finance Partner (SFP)

- 2.9.1. Senior Finance Partner (SFP) in conjunction with the CFO has responsibility for providing strategic financial support to senior leaders and FP's within the Trust as determined by the Executive Officers of the Trust.

2.10. Finance Partner (FP)

- 2.10.1. For the purpose of this document the term Finance Partner (FP) refers to the person responsible for the day-to-day management of a school or schools financial operations.
- 2.10.2. The Trust should employ a suitably experienced FP to support the EHT/HT and LGB/LSB to manage and protect resources appropriately or alternatively make use of support services as recommended by the Vine Trust.
- 2.10.3. The FP will work with the EHT/HT and Senior Leadership Team (SLT) to ensure the academy's financial processes and finance policies are followed.
- 2.10.4. The FP will be responsible for the effective use of resources within their organisation and will notify the EHT/HT and LGB/LSB of any issues. It is the responsibility of the LGB/LSG to notify the CEO/CFO/The Board at the earliest opportunity.
- 2.10.5. The FP may delegate certain financial and operational responsibilities but remains accountable for them.

2.11. Other Staff

- 2.11.1. Vine Trust Designated Director (CFO)
 - 2.11.1.1. The CFO is also the DFO unless otherwise determined by the Finance, Risk and Audit Committee
 - 2.11.1.2. The CFO has day to day financial and operational responsibilities as set out in these regulations and includes the review and approval of new contracts exceeding 12 months.
 - 2.11.1.3. The CFO -has delegated powers set out in the Scheme(s) of Financial Delegation within [Appendices 16.1](#).
 - 2.11.1.4. The nomination of a CFO, other than the DFO, must be recorded in the minutes of the Finance, Risk and Audit Committee meeting at which it was approved.
- 2.11.2. Vine Trust Mandated Director (VTMD)
 - 2.11.2.1. The VTMD role has been removed
- 2.11.3. Trust Approver (TA) –
 - 2.11.3.1. A Trust Approver (TA) which may also be referred to as Secondary Authoriser in these regulations, refers to a Committee or individual(s) with delegated

responsibility for financial or 'over budget' approval, in cases where local discretion is exceeded and are detailed in the Scheme(s) of Financial Delegation, these include but may not be limited to:

- The Board
- Finance, Risk & Audit Committee
- Vine Trust Designated Director (CFO)
- Chief Financial Officer (CFO)
- Trust Finance Manager (TFM)
- Trust Compliance and Processing Manager (TCPM)
- Trust Finance Officer (TFO)
- HR Director (HRD)
- Senior Finance Partner (SFP)

2.12. General Requirement

- 2.12.1. All employees of the Academy are expected to act professionally and with integrity and follow the internal control framework and financial policies of the Academy and of the Vine Trust.
- 2.12.2. All staff with financial management responsibilities should have access to the information and training required to perform their financial duties.
- 2.12.3. All staff are responsible for the security of school/Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the academy's financial procedures.

2.13. Register of Interests – moved to Risk Management s14.2

3. Day to Day Delegation of Authority

3.1. Expenditure Limits

- 3.1.1. The School Approver (SA) i.e. Executive Headteacher / Headteacher is able to authorise expenditure for day-to-day items and services, within the appropriate Scheme of Financial Delegation (SoFD) included within these regulations, where this has previously been approved in principle as part of a pre-approved budget.
- 3.1.2. Avoidance of obtaining authority by raising a sequence of smaller orders in place of one large order is not permitted and may result in disciplinary action.
- 3.1.3. If the value to be authorised exceeds the SA limit for goods and services then a higher level of approval is required, as set out in the appropriate SoFD included within these regulations.
- 3.1.4. Authorisation for expenditure above the Official Journal of the European Union (FIND A TENDER) limit **must** be referred to the Finance, Risk & Audit Committee.

- 3.1.5. The site manager is able to authorise emergency building repairs up to a value of £500 on any one repair. To be treated as an emergency repair a fault or incident must be unexpected and carry the risk of immediate injury to people, major damage to property or present a significant security risk to property.
 - 3.1.5.1. Where costs are incurred as a result of emergency repairs, by the site manager, all supporting documentation (reports, receipts, e-mails etc) will be submitted to the ACFP.
 - 3.1.5.2. The CPT will ensure all supporting documentation and/or narrative is attached to transaction documents within the financial accounting system (expenses/invoice).
 - 3.1.5.3. Emergency repairs will not require a retrospective order to be entered into the accounting system.
 - 3.1.5.4. Eligible emergency repairs constitute an exceptional circumstance [ref [S11.1.4.2](#)]
- 3.1.6. The Scheme of Financial Delegation (SoFD) included within these regulations [Appendix 16.1](#) sets out authorisation and monetary limits for employees with financial responsibility.

3.2. Funding Reconciliation

- 3.2.1. The FP is responsible for checking academy funding entered on the financial accounting system, by the Vine Trust, against the monthly funding information (funding schedule) provided by the Vine Trust. These checks should be completed monthly.
- 3.2.2. The FP is responsible for ensuring funding from other government agencies and the Local Authority reconciles with budget projections promptly. Non-receipt or differences should be investigated immediately and brought to the attention of the Executive Headteacher/Headteacher and the Vine Trust via monitoring@dcvst.org
- 3.2.3. The CFO, supported by the TFM, should undertake a consolidated reconciliation of ESFA funding on a monthly basis and for this to be reviewed by the Accounting Officer regularly. Supporting ESFA remittance advices should be retained with the reconciliation documentation.

3.3. Write offs and liabilities

- 3.3.1. The write-off of debts owed to the Academy can be approved by the School Approver (SA) up to the limit delegated within the appropriate SoFD, included within these regulations.
- 3.3.2. Requests to write-off debts above this value **must** be referred to the Chief Financial Officer.
- 3.3.3. A sequence of smaller write-offs, all within the above limits to cover a larger write-off, is **not** permitted.

- 3.3.4. All write-offs **must** be notified to the TCPM, via monitoring@dcvst.org, to ensure their collective values do not exceed limits defined within The Trust Handbook, whereby ESFA approval would be required.
- 3.3.5. The CFO will be responsible for notifying the Finance, Risk & Audit Committee of all bad debts written off exceeding £500, these would then be recorded in the minutes of the meeting.
- 3.3.6. Write offs exceeding 1% of total annual income or £45,000 (whichever is smaller) per single transaction will require full Board and ESFA approval as per section 5.19 of the TH 2022.
- 3.3.7. The trust should always pursue recovery of overpayments within practical and legal limitations. The trust should only consider writing off losses if there is no feasible alternative. For any write offs above the value in the annual funding letter or as defined by in section 5.20 of TH 2022, authorisation will be required from the ESFA.

3.4. Disposal of Assets or Adjustments to Academy Inventory

- 3.4.1. The School Approver (SA) can authorise the disposal / adjustment of recorded academy inventory or fixed asset items up to the value delegated in the appropriate SoFD, included within these regulations.
- 3.4.2. Authority for disposals / adjustments above this amount must be referred to the Vine Trust 'Designated' Director with reference to The Trust Handbook 2022 S5.23 and 5.52 in order to determine whether ESFA approval is required.
- 3.4.3. The Vine Trust and its academies **must** ensure that any disposal of inventory or fixed asset achieves the best price that can reasonably be obtained, and maintains the principles of regularity, propriety and value for money. This can involve public sale where assets have a residual value.
- 3.4.4. All disposals or adjustments to the fixed asset register **must** be notified to the TCPM via monitoring@dcvst.org who will arrange for the financial accounting system to be updated.
- 3.4.5. All disposals / adjustments **must** be formally recorded in the minutes of the meeting at which they were reported and discussed.

3.5. Mileage Allowances and Subsistence Claims

- 3.5.1. The Academy will reimburse mileage expenses to individuals for business journeys at a rate in accordance with the limitations set out by HM Revenue & Customs. The claimant is entitled to be notified of this rate in advance of commencing their journey. The claimant must have suitable insurance in place to cover both the vehicle and passengers and that indemnifies the Trust against any claim.
 - 3.5.1.1. Mileage Rate (for first 10,000 miles in the financial year) £0.45 per mile
 - 3.5.1.2. Mileage Rate (fm 10,001 miles in the financial year) £0.25 per mile

- 3.5.1.3. Excess Travel Expenses Policy Mileage Rate (Conditions apply) £0.25 per mile
- 3.5.2. The claimant must submit mileage and expenses claims (within three months of incurring the expense) on the form included within these regulations, i.e. [Appendix 16.2](#). Any claims received after the three-month period will not be processed.
- 3.5.3. A VAT registered fuel receipt **must** accompany every mileage claim, indicating that duty has been paid on sufficient fuel for the distance covered in order for the Academy to be able to reclaim VAT.
- 3.5.4. All expense claims are to be authorised by the School Approver (SA) before payment is made.
- 3.5.5. Expenses claims relating to the SA **must** be authorised by the Local Schools Board or the Vine Trust 'Designated' Director before payment is made.
- 3.5.6. Expenses claims relating to a Trust Approver (TA), the CEO or the CFO **must** be authorised by the Vine Trust 'Designated' Director before payment is made.
- 3.5.7. Receipts or other appropriate evidence of expenditure **must** be attached to the claim in respect of all purchases, i.e. rail/bus fares, subsistence, telephone calls, postage and any other purchases that may be approved. Claims for subsistence can only be claimed to the maximum stated below.
- 3.5.8. Rates of subsistence will be paid at the rate and within the conditions that adhere to the Vine Trust policy on travel and subsistence allowances;
- | | |
|--|--------|
| 3.5.8.1. Meal Allowance (5 hour) rate | £ 5.00 |
| 3.5.8.2. Meal Allowance (10 hour) rate | £10.00 |
| 3.5.8.3. Late Evening Meal Allowance | £25.00 |
| 3.5.8.4. Qualifying conditions; | |
- The travel must be in the performance of an employee's duties or to a temporary place of work
 - The employee should be absent from their normal place of work or home for a continuous period in excess of 5 hours or 10 hours
 - The employee should have incurred a cost on a meal (food and drink) after starting the journey
- 3.5.9. Claims for the purchase of alcohol will not be reimbursed.
- 3.5.10. VAT may not be reclaimed without a proper VAT receipt.
- 3.5.11. Properly completed claims **must** be paid by BACS and all papers kept together for six financial years plus the current. It may be necessary to submit details of payments made and mileage travelled to HM Revenue & Customs

3.6. Receiving of Goods / Acknowledgement of Service

- 3.6.1. Receiving and accepting goods/services is detailed fully within section 11, notwithstanding this, in all cases the person receiving and accepting or acknowledging goods/services will be responsible for signing and dating the delivery note (goods received note) to confirm the correct goods have been received and annotate the note if items are missing or damaged.
- 3.6.2. The person receiving and checking goods/services will be responsible for ensuring the signed delivery note (goods received note) is passed to CPT, or person/department with specific delegated responsibility, who will record the details on the financial accounting system or investigate discrepancies etc. as appropriate.
- 3.6.3. Receiving of goods and signing of deliver notes will not in normal circumstances be undertaken by the person authorising payment. For day to day operations therefore, receiving and signing for goods and services etc. will likely be undertaken by a person who is not involved in the authorisation process, every Vine Trust employee has a responsibility to ensure receipt of goods and services receipts, that they are involved with, are recorded accurately and in a timely manner.

3.7. Devolved Formula Capital Grant (DFCG)

- 3.7.1. Expenditure of Capital Grants, other than for the purchase of IT equipment, requires approval by the Diocese. Up to the value of £50,000 can be authorised by the CFO values over £50,000 **must** be approved by the Diocesan Board of Education.
- 3.7.2. Expenditure of Capital Grants, for the purchase of IT equipment, requires approval by the CFO, in accordance with the appropriate SoFD contained within this document.

3.8. Staff Appointments / Terminations

- 3.8.1. The Board has approved a personnel establishment for schools within the Trust. Changes can only be made to this establishment with the express approval in the first instance of the Finance, Risk & Audit Committee who **must** also ensure that adequate budgetary provision exists for any changes and that consultation process is followed in accordance with legislation and best practice at the time. The CEO will be responsible for coordinating any changes to establishment levels across the Vine Trust. Full details are set out in the Scheme of Delegation for each Academy.
- 3.8.2. The approval required for the appointment of staff or changes to contract is as follows:
 - 3.8.2.1. Chief Executive Officer (CEO)/Chief Financial Officer (CFO) – The Board
 - 3.8.2.2. Executive Headteacher (EHT)/ Headteacher (HT) – The Board

- 3.8.2.3. All other staff appointments and contract changes are set out in the Scheme of Delegation subject to the agreed establishment and budget constraints and in accordance with the Trusts Recruitment Policy.
- 3.8.3. The Vine Trust, in association with its HR and Legal Services provider, circulates a 'contracts file' annually, providing all relevant forms and paperwork with regard to the appointment of, or amendment to contracts of staff, which **must** be used by all academies.
- 3.8.4. For academies the FP (or person with specific delegated responsibility) is responsible for ensuring that all pre-employment checks are completed, relevant clearances obtained and personnel files are maintained (including contracts of employment) for all members of staff.
- 3.8.5. For Vine Trust Central staff, HR (or person with specific delegated responsibility) is responsible for ensuring that all pre-employment checks are completed, relevant clearances obtained and personnel files are maintained (including contracts of employment) for all members of staff.
- 3.8.6. The EHT/HT is responsible for ensuring all pre-employment checks are complete and satisfactory before a new employee starts their employment.
- 3.8.7. The Admin Coordinator (AC) is responsible for the Academy/Trust Single Central Record (SCR) and **must** ensure it is accurate, up to date and that supporting information/evidence is retained according to guidance determined from time to time by the DfE. The HRD will be responsible for regularly monitoring the SCR's and circulate a template which has been approved by the Trust, which may be updated from time to time.
- 3.8.8. **Special Staff Severance Payments:** The Board of Trustees has authority to approve individual staff severance payments as per section 5.10 of the TH 2022, provided any non-statutory/non-contractual element is under £50,000. The academy trust should demonstrate value for money by applying a high level of scrutiny to all severance payments regardless of amount and have a business case justifying the level of settlement reached. Where the trust is considering a non-statutory/non contractual payment of £50,000 or more ESFA's prior approval **must** be obtained before the Governing Body/Board of Trustees makes any binding settlement offer to staff.
- 3.8.9. **Compensation payments:** If the academy trust is considering making a compensation payment (as defined in section 5.13 of the TH 2022) the decision **must** be based on a careful appraisal of the facts, including legal advice where relevant, and ensure that value for money will be achieved. Academy trusts have delegated authority to approve individual compensation payments provided any non-statutory/non-contractual element is under £50,000. Where the trust is considering a non-statutory/non contractual payment of £50,000 or more ESFA's prior approval **must** be obtained.

- 3.8.10. If the academy trust is considering making an Ex gratia payment (as defined in section 5.16 of the TH 2022) the ESFA's prior approval must be obtained regardless of value.

3.9. Additional Hours, Salary Advances and Absences

3.9.1. Additional hours

- 3.9.1.1. **Must** be authorised by the School Approver/Trust Approver.
- 3.9.1.2. Will be recorded, by the employee, in the format determined from time to time by the Vine Trust / Academy and submitted to the AC for authorisation by the School Approver (SA).
- 3.9.1.3. Claims **must** not be submitted prior to work having been undertaken.

3.9.2. Salary Advances

- 3.9.2.1. The Vine Trust does not award salary advances.

3.9.3. Absences

- 3.9.3.1. All absence **must** be supported by a Leave of Absence Request Form, 'self-declaration' or recognised medical certificate.
- 3.9.3.2. The EHT/HT is responsible for determining whether leave of absence should be paid or unpaid, in accordance with the Vine Trust Absence Management Policy, instructing the FP appropriately.
- 3.9.3.3. The FP (or person with specifically delegated responsibility) should, once authorised, record the absence on the Payroll System and make salary adjustments as appropriate.

3.10. Monitoring Salary Payments

- 3.10.1. It is the responsibility of the FP (Academy) / TFM (Vine) to ensure that systems are in place to record all staff contract details and that they are regularly updated to take account of new appointments, amendments and terminations of employment. This will ensure that all information on the financial accounting system is correct and will avoid distortion of financial information.
- 3.10.2. Any updated payroll transaction relating to an EHT/HT **must** be authorised by the Accounting Officer (CEO) and in accordance with the Vine Trust Pay Policy.

3.11. Supply Staff

- 3.11.1. All supply staff will be appointed by the School Approver (SA) or as otherwise directed by the SA. At the same time the appropriate commitment for the estimated costs incurred will be entered on to the financial accounting system immediately. It is the responsibility of the FP to ensure that this is done.
- 3.11.2. It is the responsibility of the individual member of staff to agree with their line manager the hours worked in the particular payment period. The line manager will then obtain authorisation from the SA prior to the work being

undertaken. If a dispute arises over hours claimed, the SA will be informed immediately.

3.12. Contract Approval

- 3.12.1. Any contractual commitment with a term exceeding 12 months, including lease agreements, **must** be approved by the Vine Trust 'Designated' Director or the Finance, Risk & Audit Committee in accordance with the appropriate SoFD.
- 3.12.2. By law an operating lease is the only type of lease available to academies. These leases involve the Academy paying a rental for the hire of an asset for a period of time and have the character of a rental agreements.
- 3.12.3. No other lease, such as finance leases or hire purchase may be entered into by the Academy as this is a form of borrowing.

3.13. Insurance moved to new section 15

3.14. VAT Returns

- 3.14.1. It is the responsibility of the Trust Finance Manager (TFM) to ensure that the Trust's VAT is correctly accounted for in accordance with HMRC requirements and promptly claimed on a monthly basis.
- 3.14.2. Specific advice on VAT matters should be sought from the HMRC, ESFA bulletin updates and from the academy's external auditors.
- 3.14.3. If the Trust decides not to register for VAT as the business income falls below the HMRC threshold for compulsory VAT registration, and therefore processes claims using the VAT126 system, it is the responsibility of the Trust Finance Manager to monitor the business income to ensure the threshold limit is not exceeded in any 12 month period. In the event the limit is exceeded, the trustees **must** be made aware and HMRC notified of the change in status to enable the academy trust to become VAT registered.

3.15. Financial Notice to Improve

- 3.15.1. Aforementioned delegated authorities will be waived if the academy trust is subject to a Financial Notice to Improve. All transactions must be approved by ESFA, especially those listed in section 6.18 of TH 2022.
- 3.15.2. All terms of the Financial Notice to Approve will be adhered to.

3.15.3. If the trust is subject to an Fntl, it will publish the Fntl on its website within 14 days of issue, and until the notice is lifted by ESFA.

4. Internal Control

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body
- regular reviews by the Finance, Risk and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes including reporting on trading activities
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines, including value for money
- delegation of authority and segregation of duties
- identification and management of risks
- a process for independent checking of financial controls, systems, transactions and risks

All financial transactions of the Vine Trust **must** be recorded in accordance with the Vine Trust accounting policies and recorded on the PS Financials accounting system.

The Vine Trust accounting system is hosted by PS Financials and accessible through the Vine Trust Finance Portal <http://remote.dcst.org.uk/> or dedicated desktop links provided to appropriate staff.

4.1. Responsibilities

- 4.1.1. The FP/TFM is responsible for carrying out monthly bank statement reconciliations for all bank accounts within one week of receipt. All discrepancies are to be investigated immediately and reported to the School Approver (CFO for central bank accounts) and, if appropriate, the bank.
- 4.1.2. The TFM is responsible for;
 - 4.1.2.1. Completing the monthly VAT returns in the prescribed format and submitting them to HMRC on time.
- 4.1.3. The School Approver is responsible for periodically checking the following (at least once per term, ideally once per month), and signing and dating to confirm checks have been made;
 - 4.1.3.1. All payments made to suppliers have been correctly authorised (this is the responsibility of the TCPM where procurement is centralised).

- 4.1.3.2. No payments have been made that could be classed as 'fee payments' to individuals without completing the necessary checks to confirm self-employed status & compliance with IR35 regulations (this is the responsibility of the TCPM where procurement is centralised).
- 4.1.3.3. Income received by the school can be traced from source to financial system entry and bank statement.
- 4.1.3.4. Bank account reconciliations are being completed each month for **all** school bank accounts.
- 4.1.3.5. The funding budget entered on the Trust financial accounting system is reconciled promptly to the sources of income, i.e. ESFA statement of funding
- 4.1.3.6. Petty cash reconciliations are being completed (only applicable for schools within 2 months of academy conversion).
- 4.1.3.7. Direct debit and standing order arrangements are appropriate and have been correctly authorised.
- 4.1.3.8. Individual staff salary payments are reconciled to the employee's contract on a regular basis (at least each term).
- 4.1.3.9. Review of employee listing payroll report to ensure that all salary payments have been made to current employees.
- 4.1.3.10. All balance sheet accounts i.e. Creditors, Debtors, control accounts are reconciled each month

4.2. Separation of duties

- 4.2.1. It is the responsibility of the SA (in an academy) and the Trust Approver (TA) (for the Vine Trust) to ensure that key financial duties are properly separated between individuals, as far as practicably possible.
- 4.2.2. Functions that **must** be separated between staff but are not necessarily limited to;
 - 4.2.2.1. Execution – the placing of an order and confirming receipt of those goods and services, and the charging and receipt of a fee.
 - 4.2.2.2. Authorisation – the authorisation of transactions such as a purchase order and the payment.
 - 4.2.2.3. Payment – the raising of BACS/cheques and BACS/cheque signatories.
 - 4.2.2.4. BACS payments – creation and amendment of supplier bank details **must** be double checked.
 - 4.2.2.5. Recording – the completion of the accounting records Income collection process must adhere to the regulations laid out in this document, including appropriate segregation of duties.
 - 4.2.2.6. The recording/maintenance of assets/inventory and annual checks.
- 4.2.3. Functions that should be separated between staff include but are not necessarily limited to:
 - 4.2.3.1. Custody – the holding of goods and services.
 - 4.2.3.2. Post transaction management checking – reviewing previous transactions to identify errors or intentional manipulation.

- 4.2.4. The combination of Internal controls and automated authorisation procedures embedded within the Vine Trust financial accounting systems are sufficiently robust to allow the CPT to be involved in both purchasing (order) and payment processes.

4.3. Accounting System

All the financial transactions of the academy trust **must** be recorded on the Trust Financial Accounting System (FAS). The FAS is deployed by the Central Operations Team and consists of;

- Journals
- Nominal Ledger
- Transactions
- Purchase Ledger
- Sales Ledger
- Payroll System
- HR Portal
- Budget (separate system)
- Automatic update
- Manual update

4.3.1. System Access

- 4.3.1.1. User access to the FAS is password restricted.
- 4.3.1.2. Passwords are changed every 90 days (system default routine), with 14 days' notice of expiry provided to users at login.
- 4.3.1.3. Access to components and information within the FAS is restricted. The CFO/TFM is responsible for determining access levels/permissions for all users of the accounting system.
- 4.3.1.4. Accounting system access requests for an employee in an academy other than those deployed automatically to the Senior Leader and FP Lead **must** be made to the TFM, supported by a request from the School Approver (typically the Executive Headteacher or Headteacher).
- 4.3.1.5. Academy and/or Trust accounting system access requests for an employee of the Vine Trust Central Finance Team **must** be made to the TFM,
- 4.3.1.6. Accounting system access requests for any individual not employed by the Vine Trust **must** be made to the TFM, this may include but is not limited to directors, auditors and financial support providers.
- 4.3.1.7. The Trust Finance Manager (TFM) is responsible for maintaining/updating access and permission rights on the accounting system subject to approval of the CFO.

4.3.2. Chart of Accounts

- 4.3.2.1. The Vine Trust has a standard chart of accounts which **must** be used by all academies.
- 4.3.2.2. Modifications to the chart of accounts/nominal structure of the accounting system will be determined and undertaken by the CFO.

- 4.3.2.3. A standard Account (Cost Centre) structure is deployed to all academies within the Vine Trust which must be maintained, however, the FP may if necessary add additional accounts if a local monitoring need is identified.

4.3.3. Back-up procedures

- 4.3.3.1. The service provider responsible for hosting the accounting system ensures that all data is backed up in accordance with the Service Level Agreement (SLA) as agreed with the Vine Trust.
- 4.3.3.2. Routine data restoration is undertaken to validate the integrity of the back-ups as detailed within the third party service providers SLA.
- 4.3.3.3. The FP (Academies)/Trust Finance Manager (Central Finance Team) **must** ensure 'local' data is backed up on an incremental basis hourly and that information for seven years is retained.
- 4.3.3.4. The FP should prepare a disaster recovery plan in conjunction with the EHT/HT, in the event of loss of accounting facilities or financial data. This should link in with the regular assessment made by local governors of the major risks to which the academy is exposed and the systems that have been put in place to mitigate those risks

4.3.4. Transaction Processing and Authorisation

- 4.3.4.1. All transactions input to the accounting system **must** be authorised in accordance with the predefined limits specified in the Scheme of Financial Delegation (SoFD) [Appendix 16.1](#) applicable to each Academy and the Vine Trust and processed in accordance with the procedures detailed in this manual.
- 4.3.4.2. The FP/CPT is responsible for ensuring that only regular transactions are posted to the accounting system.
- 4.3.4.3. The TFO is responsible for ensuring that VAT transactions are recorded accurately and that the VAT control accounts reconcile to support the preparation of the Vine Trust VAT returns, undertaken by the TFO.
- 4.3.4.4. Detailed information and guidance about the operation of the PS Financials accounting system can be accessed by;
- Contacting PS Financials Advantage Service Team on 0344 815 5581
 - Accessing the PSF Customer Support Portal ([PSF Customer Portal](#))

4.3.5. Transaction Reports

- 4.3.5.1. The FP will produce system generated reports, with additional supporting narrative if necessary, to reassure internal/external auditors that only regular transactions are posted to the accounting system.

4.3.6. Reconciliations

- 4.3.6.1. The FP and TFM are responsible for ensuring reconciliations are performed at least monthly and that any unreconciled items or balancing amounts are cleared, typically within 60 days.

- 4.3.6.2. The Vine Trust distributes a Monthly Accounting Timetable annually with full details of reconciliations and their scheduled completion dates.
- 4.3.6.3. The reconciliations to be performed on a monthly basis and the balances reviewed are;
- Funding reconciliation (Vine Trust Central Finance Team)
 - Bank reconciliation
 - Purchase card reconciliation
 - Petty Cash reconciliation (only in academies within two months of conversion)
 - Purchase Ledger/Creditor control accounts
 - Sales Ledger/Debtor control accounts
 - Payroll control accounts (Vine Trust Central Finance Team)
 - Sundry creditors/accruals (Vine Trust Central Finance Team)
 - Sundry debtors/prepayments (Vine Trust Central Finance Team)
 - Suspense accounts
 - Intra-company accounts (Vine Trust Central Finance Team)
 - Inter-company accounts (Vine Trust Central Finance Team)
 - Fixed asset accounts (Vine Trust Central Finance Team)
 - VAT control accounts (VAT returns and transactions posted by TFM)
 - Any other balance sheet accounts as appropriate
- 4.3.6.4. The SA **must** sign all reconciliations and a monthly summary as evidence of their review and oversight.
- 4.3.6.5. All discrepancies are to be investigated immediately and reported to the SA (the bank if appropriate), notwithstanding this any unusual or unreconciled items older than 60 days, **must** be brought to the attention of the TCPM) via compliance and monitoring@dcvst.org.

4.4. Internal Control Audits – Responsible Officer

The CFO is responsible for ensuring that internal control audits take place to provide assurance that the internal controls across the Trust are robust.

- 4.4.1. The CFO will commission an external provider to carry out internal audit visits across the Trust to include academies and central teams and work with the to determine the scope of the reviews.
- 4.4.2. Established academies will have two Internal Audit visits per academic year, one during the spring term and a second during the summer term.
- 4.4.3. At least one Internal Audit visit per year will be conducted on the following central teams;
- 4.4.3.1. Central Finance Team
 - 4.4.3.2. Central Processing Team
 - 4.4.3.3. Outsourced payroll provider/ HR Department

- 4.4.4. New academies:
- 4.4.4.1. Sep-Nov - two Internal Audit visits will be conducted during the first year, including a 'starter' review
 - 4.4.4.2. Dec-May - one Internal Audit 'starter' review will be conducted during either the summer term or autumn term.
 - 4.4.4.3. Jun-Aug - Internal Audit visits will commence during the following academic year.
- 4.4.5. The FP **must** ensure that Internal Audit visits are conducted according to the timetable determined by the external provider.
- 4.4.6. A draft Internal Audit visit report will be sent to the FP/TCPM so that comments/responses to findings may be attached prior to publication, the comments should include a summary of actions to be taken and a timescale for completion.
- 4.4.7. The Internal Auditor will produce a written RAG rated report which will be circulated to the Executive Headteacher/Headteacher, the Chair of Local Governors, the FP and monitoring@dcvst.org
- 4.4.8. The FP is responsible for ensuring that all controls are considered good or reasonable. Controls that are reported to 'need some attention and review' (yellow), 'need some reasonably urgent attention and action' (orange) or 'need some very urgent attention and action – considered a high risk' (red) must be addressed within a reasonable and documented timeframe which must be reported to the Local Schools Board/Local Board and the TCPM.
- 4.4.9. The FP **must** prepare and circulate a monthly Internal Audit Monitoring Report to the Local Schools Board/Local Board and TFM, tracking progress/completion, at the same time as other financial management information.
- 4.4.10. The FP should use the recognised Internal Audit RAG ratings to self-assess progress and completion of actions against reported RO findings.
- 4.4.11. The Internal Auditor and TCPM will revisit previously identified findings to determine compliance/completion, once independently verified the FP must report this on the Internal Audit Monitoring Report and can then remove the section from future reports after year end.

4.5. Vine Trust Monitoring

- 4.5.1. The Vine Trust Central Team will undertake monthly monitoring of:
- 4.5.1.1. Academy Trial Balances and control accounts
 - 4.5.1.2. Nominal usage
 - 4.5.1.3. Financial management information produced by academy's
 - 4.5.1.4. Internal Audit findings, monitoring and progress
 - 4.5.1.5. The TCPM will determine when updated controls around RO findings requiring 'some attention and review' (yellow) have been met.

4.6. External Auditors

- 4.6.1. During the annual audit, external auditors may find it necessary to comment on some internal control concerns, weaknesses or risks by way of a Management Letter.
- 4.6.2. Management Letter findings specific to certain academy's **must** be included on the Academy's Internal Audit Monitoring Report, clearly identified in a Management Letter section on the report and as an 'External Audit finding'.
- 4.6.3. The FP will communicate specific Management Letter findings to the Chair of Local Governors of an academy

5. Financial Planning

The Trust and its schools prepares both medium term (3 years) and short-term financial plans. The medium-term financial plan is prepared as part of the development planning process. The Development Plan indicates how the academy's educational and other objectives, will be achieved within the expected level of resources over the next three years and provides the framework for the annual budget. The trust is responsible for the maintenance of its assets and as such the Asset Management Plan forms part of the Development Plan whether it is fully incorporated or a separate document. The board of trustees are aware they should refer to the DfE's material on improving school resource management and good estates management guides as per section 2.14 of the TH 2022.

The budget is a detailed statement of the expected resources available to the academy and the planned use of those resources for the following year. The development planning process and the budgetary process are described in more detail below:

The trust **must** select key financial performance indicators and measure its performance against them regularly, at least half yearly. As per section 2.22 of the TH 2022

5.1. Development Plan

- 5.1.1. The development plan is concerned with the future aims and objectives of the schools and Trust and how they are to be achieved; that includes matching the academy's objectives and targets to the resources expected to be available. Plans should be kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated. The form and content of the development plan are matters for the academy to decide but due regard should be given to the matters included within the guidance to Academies and any annual guidance issued by the ESFA.
- 5.1.2. a review of past activities, aims and object Development Planning Cycle - Each year the Headteacher / EHT will propose a planning cycle and timetable to the Governing Body which allows for:
 - 5.1.2.1. a review of past activities, aims and objectives - "did we get it right?"
 - 5.1.2.2. definition or redefinition of aims and objectives - "are the aims still relevant?"
 - 5.1.2.3. development of the plan and associated budgets - "how do we go forward?"

- 5.1.2.4. implementation, monitoring and review of the plan – “who needs to do what by when to make the plan work and keep it on course” and feedback into the next planning cycle – “what worked successfully and how can we improve?”
 - 5.1.2.5. the timetable will specify the deadlines for the completion of each of the key stages described above. Lead responsibility for the completion of each of the stages will be assigned by the Headteacher / EHT.
- 5.1.3. Development Plan Content - The completed development plan will include detailed objectives for the coming academic year and outline objectives for the following two years. The plan should also include the estimated resource costs, both capital and revenue, associated with each objective and success criteria against which achievement can be measured.
- 5.1.4. Development Plan Monitoring – for each objective the lead responsibility for ensuring progress is made towards the objective will be assigned to an individual. The responsible person should monitor performance against the defined success criteria throughout the year and report to the senior management team on a quarterly basis. The senior management team will report to the Governing Body if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.

5.2. The Budget Cycle

- 5.2.1. A detailed schedule for the preparation and submission of academy budget forecasts is documented within the Monthly Accounting Timetable, issued annually by the Vine Trust and further supported by specific timetables for the Budget Forecast Return which are issued by the TFM
- 5.2.2. Notwithstanding 4.1.1 a summary of Vine Trust requirements is as follows;
- Autumn Term (Sep – Dec)
 - Implementation of an approved ‘initial’ budget plan and forward forecast.
 - Monitor income and expenditure (continuous – scheduled in the Monthly Accounting Timetable for circulation/submission)
 - Reconciliation and finalisation of previous financial year accounts.
 - Preparation of a revised current year budget plan and forward forecast, where appropriate
 - Spring Term (Jan – Mar)
 - Monitor and Review current year budget plan and forward forecast.
 - Preparation/submission of revised current year budget plan and forward forecast, where appropriate
 - Pre-planning new financial year’s budget plan and forward forecast
 - Submission of a provisional budget forecast for the new financial year(scheduled in the Monthly Accounting Timetable).

- Summer Term (Apr – Aug)
 - Planning for the forthcoming year
 - Submission of a recommended new year's budget plan to The Board (scheduled in the Monthly Accounting Timetable)
 - Preparation of a current year revised budget plan where appropriate

5.3. Budget

All requirements of the ESFA must be taken into account when preparing budget forecasts, including the level of balances & reserves, identification of unspent 'ring-fenced' funding being carried forward, benchmarking data and the ongoing viability of an academy over a period not less than three years.

- 5.3.1. The Executive Headteacher/Headteacher and FP will prepare an annual budget and multiyear forward financial forecast considering a minimum of three years information, in consultation with the Local Schools Board/Local Board, using AcademyBPS budgeting software provided by the Vine Trust.
- 5.3.2. The annual budget must be signed by the School Approver before submission to the CFO for recommendation by the Vine Trust Finance, Risk & Audit Committee to The Vine Trust Board.
- 5.3.3. Whilst it is acceptable to obtain electronic recommendation and approval of budgets outside of a Local Schools Board/Local Board or Committee meeting the action(s) must be included in the minutes of the next meeting.
- 5.3.4. The annual budget will reflect the best estimate of the resources available to the academy for the forthcoming year and will have regard to all known needs of the academy. There should be a clear link between the School Improvement / Development Plan and the Asset Management Plan.
- 5.3.5. Detailed records will be kept of all information used in preparing the budget, including estimations of staffing requirements, deployment of ring-fenced funding, historical evidence and current assumptions. The majority of this narrative should also be included in AcademyBPS for reporting and circulation purposes.
- 5.3.6. Strategies must be documented by the Local Schools Board/Local Board to support the submission of a budget forecast if financial pressure is predicted within 3 years.
- 5.3.7. Supporting narrative must be documented, with strategies if appropriate, by the Local Schools Board/Local Board and submitted with the budget forecast if 'in-year' deficits are predicted within 3 years.
- 5.3.8. For academies investing in 'getting to good' or 'getting to outstanding' the estimated timing of a good/outstanding Ofsted outcome and the subsequent predicted impact on the budget forecast will be required.
- 5.3.9. The budgetary planning process will incorporate the following elements:

- 5.3.9.1. realistic forecasts of future pupil numbers, to estimate the amount of General Annual Grant (GAG) likely to be received over a period of 5 years.
 - 5.3.9.2. Calculation and application of holdback i.e. General and School Improvement.
 - 5.3.9.3. Calculation and application of funding models, as directed by the Vine Trust from time to time.
 - 5.3.9.4. Estimates of other 'ring-fenced' ESFA Funding e.g. Pupil Premium and PE & Sports Grant.
 - 5.3.9.5. Review of other income sources available to the academy, including catering, trading activities such as breakfast/after school clubs, lettings and staff consultancy.
 - Catering and other trading activities **must** be supported by detailed trading accounts/business plans and clearly show anticipated operating surplus or deficits.
 - If a subsidy is required from Restricted Revenue Funds, then this must be formally approved by the Local Schools Board/Local Board and recorded in the minutes of the meeting at which it was discussed and agreed.
 - 5.3.9.6. Review of past performance against budgets to promote an understanding of the academy costs and to reassure stakeholders of the accuracy of financial information.
 - 5.3.9.7. Identification of potential efficiency savings, including contractual and collaborative operational opportunities.
 - 5.3.9.8. Review of the main expenditure headings, to include a detailed assessment of employee contracts
 - 5.3.9.9. Identification of unspent grants from the previous financial year
 - 5.3.9.10. All balances to be brought forward
 - 5.3.9.11. Compliance with the Capital and Revenue Reserves Policy, in respect of both local and central balance requirements
 - 5.3.9.12. Benchmarking data analysis (national and internal)
 - 5.3.9.13. Confirmation of ongoing financial viability over a period over a minimum of 3 years.
- 5.3.10. If an 'in-year' deficit is predicted, 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 may 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, within the guidelines provides in the Capital and Revenue Reserves Policy, or alternatively allocated to areas of need in accordance with the Academy Priority Plan (APP) and Asset Management Plan (AMP).
- 5.3.11. The approved budget should be promptly uploaded onto the Vine Trust accounting system in advance of the new financial year.
- 5.3.12. A copy of the signed budget plan summary is to be placed in the local minute file and a further copy retained by the FP.

5.4. Other Government Funding

- 5.4.1. In addition to GAG funding from the ESFA the Vine Trust and its academies may be awarded specific funding for other projects and purposes e.g. Conditions Improvement Funds, Pupil Premium, PE & Sports Grant, Additional Special Educational Needs funding etc. This funding may be received directly from the DfE, ESFA or Local Authority.
- 5.4.2. All Government funding must be spent in accordance with the terms and conditions imposed, accurately recorded as restricted income and audited externally annually.
- 5.4.3. The FP is responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts

5.5. Other Grants and Specific Funding

- 5.5.1. In addition to GAG funding from the ESFA and Government Funding (detailed in section 4.3) the Academy/Vine Trust may be awarded additional grants from time to time relating to specific projects e.g. Sport England Funding, Football Foundation Funding, and Charitable Grants etc. All applications for additional external funding **must** be approved and supported by the Finance, Risk and Audit Committee.
- 5.5.2. 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.
- 5.5.3. The FP is responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts.

5.6. Virements

- 5.6.1. The Vine Trust does not recognise virements, any budgetary adjustments identified must be included into and submitted in a revised budget and forward forecast to the CFO.

5.7. Revised Budgets

- 5.7.1. Monitoring and analysis of the agreed budget against actual income and expenditure **must** be carried out on a monthly basis as part of the monthly management reporting process, circulated to Academy Local Schools Board/Local Board and monitoring@dcvst.org , urgent budget issues will be reported to the Local Schools Board/Local Board and monitoring@dcvst.org. immediately.
- 5.7.2. Where tangible variations to the agreed budget are identified 'in-year', particularly around staffing, then a revised budget forecast should be prepared and recommended by the Local Schools Board/Local Board following precepts detailed in section 5.2. excepting section 5.2.2
- 5.7.3. Notwithstanding 5.6.2 Academies should expect to prepare termly revisions to the budget plan, focusing on current and future year projections.

- 5.7.4. Interim budget revisions **must** be signed by the School Approver prior to submission to the CFO for approval.
- 5.7.5. A revised budget should form the basis of analysis of all income and expenditure until the financial year end or unless replaced by a further revision.

5.8. Monitoring and review

- 5.8.1. The Vine Trust will publish a Monthly Accounting Timetable, detailing a list of reports required by each Academy in the Vine Trust, including their frequency and a timetable for completion and circulation, this will include but is not limited to:
 - 5.8.1.1. Income and Expenditure report – identifying budget variances and requiring a projection of income and expenditure to the year-end, with supporting narrative.
 - 5.8.1.2. Trading Account report(s)
 - 5.8.1.3. Cashflow report
 - 5.8.1.4. Internal Audit Monitoring Report
 - 5.8.1.5. Risk Management Monitoring Report
- 5.8.2. The FP is responsible for producing and reviewing management reports with the School Approver (SA), in line with the Vine Trust Accounting Timetable. The Finance on a Page **must** be uploaded to the Governance Document Exchange site each month.
- 5.8.3. The FP will produce system generated reports, with additional supporting narrative if necessary, to reassure internal/external auditors that only regular transactions are posted to the accounting system.

5.9. School Resource Management Self-Assessment Tool (SRMSAT)

- 5.9.1. The Trust will complete the school resource management self-assessment tool (SRMSAT) annually. The Finance, Risk & Audit committee will review the findings from the dashboard including preparing an action plan where necessary. The completed checklist plus dashboard will be submitted to the ESFA by the published deadline. Section 6.8 TH 2022.

6. External Audit Arrangements

- 6.1. It is a legal requirement for the Vine Trust to prepare audited, consolidated accounts in accordance with the TH.
- 6.2. The Vine Members will appoint statutory auditors to audit the accounts, confirming they are 'true and fair', at their Annual General Meeting AGM.
- 6.3. The CFO, supported by the TFM, is responsible for managing the audit process, by liaising with the auditors, arranging the timetable for accounts and audit completion, ensuring year-end processes are followed and that deadlines are met.

6.4. The CFO, Executive Headteacher/Headteacher and FP may need to be available to support statutory auditors in conducting their work.

6.5. The Trust should re-tender for External Audit Services

7. Returns

7.1. Annual Accounts

7.1.1. In order to give a true and fair view of the financial statements the annual accounts must be prepared according to the requirements of the Companies Act 2016 and Regulations made under the Act, and applicable United Kingdom accounting standards. Academy Trusts must also prepare their accounts in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (revised) ('the SORP'). They must also be prepared in accordance with the accounting policies agreed by The Board. A copy of the SORP together with accompanying information sheets, other Charity Commission guidance and legislation are available to view and download from the Charity Commission website at:

http://www.charitycommission.gov.uk/Charity_requirements_guidance/Accounting_and_reporting/Preparing_charity_accounts/

7.1.2. The Board is responsible for approving the Trusts annual accounts and annual report and ensuring the annual accounts are audited and submitted to the ESFA by the required deadlines. Details of all financial information required are as set out in the latest Accounts Direction for the year being reported.

7.1.3. In addition to submitting accounts to the ESFA, under section 442 (2a) of the Companies Act 2006, accounts must be filed with Companies House within 9 months of the end of the accounting period.

7.1.4. The ESFA require the Vine Trust to publish its Annual Accounts and Annual Report by 31st January. This will be done via the Vine Trusts website, additionally, access to this information must be readily available from individual academy websites.

7.2. ESFA Financial Returns

7.2.1. The CFO will be responsible for preparing all financial returns required by the ESFA. All returns will be completed within the required timescale in accordance with guidance published by the DfE and ESFA. These returns include but are not limited to;

7.2.1.1. Budget Forecast Return – Outturn Report

7.2.1.2. Budget Forecast Return

7.2.1.3. Annual Accounts Return

7.2.1.4. Schools Resource Management Return

- 7.2.2. The CFO and TFM will produce a monthly accounting timetables detailing, wherever possible, a schedule of requirements for all academies and central staff to prepare and submit information to the CFO for inclusion into ESFA returns. All information will be completed within the required timescale.
- 7.2.3. Notwithstanding 7.2.2. additional information may from time to time be requested outside of the published timetable.

7.3. Financial Management and Governance Self-Assessment (FMGS)

- 7.3.1. The ESFA publish a list of questions for new academies and Trusts to help ensure compliance with the requirements of the TH shortly after opening is achieved
[FMGS – list of questions](#)
- 7.3.2. An alternative Assurance declaration of FMGS **must** be made by the AO, prepared and submitted by the CFO, within 4 months of an academy joining the Vine Trust.
- 7.3.3. The SA, FP and Chair of Local Governors **must** familiarise themselves with the FMGS questions, any questions arising should in the first instance be directed to the CFO.

8. Document Retention

- 8.1. All documents, whether electronic and/or paper based, are retained for the following amount of time:
 - 8.1.1. Financial records including budget information – current year plus 6 preceding years
 - 8.1.2. Supply cover insurance – current year plus 6 preceding years
 - 8.1.3. Payroll and travel records – current year plus 6 preceding years
 - 8.1.4. Personnel records – 5 years after an employee has left
 - 8.1.5. Capital Project documentation – plans and drawings must be retained indefinitely

9. Assets and Inventory

9.1. Fixed Assets

- 9.1.1. All items which have a useful life and value lasting more than one year and which are above the de Minimis level set in the Vine Trust Accounting Policy (currently £1,500) are recorded on a fixed asset register and capitalised in the financial accounting system.
- 9.1.2. When adding items to the fixed asset register consideration should be given to the order/solution total not necessarily individual elements of a purchase. Any uncertainty should be referred to the TCPM for clarification.
- 9.1.3. The fixed asset register should include the following information:
 - 9.1.3.1. Asset reference number
 - 9.1.3.2. Asset description

- 9.1.3.3. Date of acquisition
- 9.1.3.4. Serial number
- 9.1.3.5. Asset cost (excluding VAT)
- 9.1.3.6. Source of funding
- 9.1.3.7. Expected useful economic life
- 9.1.3.8. Depreciation
- 9.1.3.9. Current book value
- 9.1.3.10. Location
- 9.1.3.11. Supplier
- 9.1.3.12. Warranty information
- 9.1.4. Capitalisation of assets in the financial accounting system and subsequent depreciation will be carried out by the TCPM and TFM. The FP will provide the TCPM with fixed asset information during the month of the asset purchase to enable a record to be set up on the financial accounting system.
- 9.1.5. The FP will attach supporting documentation, including all quotes, authorised purchase order, goods received note(s), invoice(s) and warranty information, to the fixed asset record on the financial accounting system within 30 days of it being recorded.
- 9.1.6. On academy conversion the FP should review the pre academy asset and inventory registers to identify equipment/furniture purchases made during the previous 7 years that fall into the current Vine Trust Accounting Policy de Minimis criteria (i.e. currently £2,000) and prepare a list of qualifying assets on conversion. Assets on conversion, including supporting documentation (where available) should be forwarded to the TCPM and are to be recorded on the financial accounting system within 2 months of conversion.
- 9.1.7. All items recorded on the Fixed Asset Register will be checked annually by the AC, during the summer term. Evidence of the annual check taking place will be by date and signature of the AC on the inventory sheets used for the check and retained for the current year plus 6 further years, copies of the signed inventory sheets will be sent to monitoring@dcvst.org clearly identified as 'Fixed Asset annual review' no later than 31 August each academic year.
- 9.1.8. The condition of items should be recorded as part of the annual review, however, disposals should be reported to the TCPM during the month of the disposal.
- 9.1.9. Replacement of aging fixed assets should be considered as part of the budget setting process in conjunction with additional guidance provided in the Capital and Revenue Reserves Policy.
- 9.1.10. Examples of items to be included on the asset register include;
 - 9.1.10.1. ICT hardware and software (these can be combined with professional services configuration costs and warranty costs)
 - 9.1.10.2. Office Equipment including telephone systems
 - 9.1.10.3. Catering equipment

- 9.1.10.4. Furniture
- 9.1.10.5. Audio visual equipment
- 9.1.10.6. Premises equipment including generators and lawn mowers
- 9.1.10.7. Other equipment including PE equipment, musical equipment
- 9.1.10.8. Mini buses

9.2. Inventory

- 9.2.1. Each academy in the Vine Trust will keep an inventory to
 - 9.2.1.1. Ensure proper physical control of academy equipment
 - 9.2.1.2. Provide a basis for insurance cover and claims if equipment is damaged or destroyed
 - 9.2.1.3. Provide an up to date record of equipment available for teaching purposes.
 - 9.2.1.4. Help the academy plan its equipment replacement programme
- 9.2.2. The following categories of inventory will be entered in the inventory register at the time of acquisition by the academy;
 - 9.2.2.1. All items valued at £500 or more at the time of acquisition or purchase, either individually or as a set.
 - 9.2.2.2. Items below the value noted in 9.2.2.1 above but which are considered attractive and portable.
 - 9.2.2.3. Items considered by the Executive Headteacher / Headteacher as being worthy of inclusion.
 - 9.2.2.4. Items hired to or leased by the academy, that match any of the above criteria will be included, but identified accordingly.
- 9.2.3. The inventory register will record the following information;
 - 9.2.3.1. Item description
 - 9.2.3.2. Asset reference number (if owned by academy)
 - 9.2.3.3. Serial number
 - 9.2.3.4. Date of acquisition
 - 9.2.3.5. Acquisition cost (excluding VAT)
 - 9.2.3.6. Location
 - 9.2.3.7. Details of security markings
 - 9.2.3.8. Date of last physical check.
- 9.2.4. The AC is responsible for maintaining the inventory register.
- 9.2.5. All inventory items recorded in the register **must** be checked annually by an employee other than the AC (or person compiling maintaining the register if not the AC) and certified as correct.
 - 9.2.5.1. Any adjustments arising from the physical check must be applied to the inventory register by the AC immediately.
 - 9.2.5.2. Evidence of the annual check taking place will be by date and signature of the person carrying out the check on the inventory sheets used for the check.
 - 9.2.5.3. Certified inventory sheets will be retained for a period of no less than 24 months to provide an audit trail for changes made to the register as a result of the annual check.

- 9.2.6. All authorised disposal of academy inventory must be recorded, showing the method of disposal and the authority for such action. Where certificates are required i.e. disposal of computer equipment, these should be retained for a period covering the current year plus 6 further years.
- 9.2.7. A separate 'Off Site Register' **must** be kept for all items loaned to members of staff and pupils including confirmation that the individual concerned should provide adequate insurance cover for the item whilst in their possession off site. In the event of any items not being on site when the inventory is checked, reference shall be made to this on the documentation used for the inventory check and confirmation made within 60 days of the annual check.

9.3. Security

- 9.3.1. All items in the fixed asset and inventory registers (as per 9.2.2 guidance) **must** be assigned a unique reference number (asset reference number) which shall be visibly recognisable on the asset and in the relevant register.
- 9.3.2. All portable items in the fixed asset and inventory registers **must** be marked with the name and postcode of the academy.
- 9.3.3. If the academy chooses to use an invisible form of marking then the item of equipment must carry a reference to the fact that the equipment has been security marked.
- 9.3.4. Items not security marked may not be covered by insurance.
- 9.3.5. Equipment must, where possible, be stored securely when not in use.
- 9.3.6. Where discrepancies between the physical count and the amount recorded in a register is identified these are to be investigated promptly and, where significant, reported to the Executive Headteacher / Headteacher and monitoring@dcvst.org

10. Banking Arrangements / Cash Management

10.1. Banking

10.1.1. Bank Accounts

- 10.1.1.1. All decisions regarding the choice of banking service provider and subsequent banking arrangements will be made by The Board.
- 10.1.1.2. The Trust Finance Manager (TFM), as banking facilities administrator, will organise the opening of new bank accounts for schools converting into the Vine Trust, including the issue of purchase cards, BACS and online banking services.
- 10.1.1.3. Academy mandated bank account signatories **must** be;
- Vine Trust Designated Director (Trust Director signatory)

- Chief Financial Officer (Trust signatory)
- School Approver – Executive Headteacher / Headteacher (local signatory)
- Trust Finance Manager (Trust signatory)
- Senior Finance and Compliance Manager (Trust signatory)
- Trust Finance Officer (Trust signatory)
- Finance Partner (local signatory)
- Other local signatories as identified by the School Approver (SA)

10.1.1.4. An up to date list of mandated bank signatories, consistent with 10.1.1.3, will be maintained by the Vine Trust. In the event of key personnel changes signatories **must** be changed immediately and the TFM notified by way of email to monitoring@dcvst.org.

10.1.1.5. The Academy Leadership Teams **must** ensure that academy bank accounts never become overdrawn. Any concerns regarding cash flow should be reported to the CFO.

10.1.2. Deposits

10.1.2.1. When banking money received (either cash or cheques) the bank paying in slips will be completed in full, clearly showing the split between cash and cheques. Each cheque will be listed separately with reference to its purpose and a similar supporting list will accompany any cash deposits.

10.1.2.2. All deposits of cheques or cash **must** be checked by the FP and one other (not the individual who collected the cheques/cash) before banking. Evidence must be retained that the dual checking procedure has been undertaken for audit purposes.

10.1.2.3. The CPT is responsible for ensuring that the financial accounting system is updated within 10 working days of a deposit being made.

10.1.3. Payment Methods

10.1.3.1. The Vine Trust encourages the use of BACS/Electronic Transfers for payments in all but exceptional circumstances.

10.1.3.2. Two mandated bank signatories are required in all instances to confirm payments made by an academy or the Vine Trust, including intra-company transfers.

10.1.3.3. The principles and authorisation procedures remain the same for cheques, BACS and other electronic payment methods and are detailed for each academy and the Vine Trust in the relevant SoFD contained within this policy.

- 10.1.3.4. Direct Debit instructions require two signatories one of which **must** be the CFO in all cases. Additionally, details of any signed Direct Debit instruction **must** be retained on file (attached to supplier record in the accounting system) for reference and included in the minutes of the next Local Schools Board/Local Board meeting.
- 10.1.3.5. Standing Order arrangements at an academy or the Vine Trust must be authorised in accordance with the relevant SoFD contained within this policy
- 10.1.3.6. These provisions apply to all accounts, public or private, operated by or on behalf of any constituent member of the Vine Trust.
- 10.1.3.7. The CPT is responsible for ensuring that the financial accounting system is updated within 10 working days of a payment being made.

10.1.4. Administration

- 10.1.4.1. The FP (academy)/TFM (Trust) is responsible for carrying out academy bank statement reconciliations to the financial accounting system for all bank accounts within two weeks of receipt of a statement. Any unreconciled payments older than three months, and unreconciled receipts older than one month, **must** be investigated and appropriate action taken.
- 10.1.4.2. Reconciliation must be subject to an independent monthly review carried out by the SA (academy) or CFO (Trust), presented in a summary format with supporting documentation attached. Both preparer and reviewer must date and sign reconciliation documentation.
- 10.1.4.3. Adjustments arising are to be dealt with promptly.
- 10.1.4.4. Bank statements **must** be uploaded from the banking system into the financial accounting system and not input manually.
- 10.1.4.5.

10.2. Petty Cash

- 10.2.1. Petty cash is not available to academies within the Vine Trust.
- 10.2.2. An academy **must** withdraw historical petty cash facilities within 2 months of conversion, during the transitional period (if applicable);
 - 10.2.2.1. The amount to be held (imprest) for petty cash disbursements **must** not exceed £200.
 - 10.2.2.2. Expenditure paid through petty cash should not exceed £25 on any one item and not exceed £40 in any one week to one individual.
 - 10.2.2.3. Petty cash **must** not be used to cash personal cheques or pay staff loans.
 - 10.2.2.4. All purchases made through petty cash, regardless of size, **must** be pre-authorised by the School Approver (SA). Purchases made by the SA must be pre-authorised by the Chair of the Local Schools Board/Local Board.

- 10.2.2.5. All payments made must be supported by a VAT receipt for good purchased, along with an appropriate voucher signed by the member of staff receiving the cash. In order for the VAT to be recovered VAT receipts need to be scanned and attached to the journal entry to support the completion of the central VAT return (in the absence of a scanned VAT receipt the expenditure needs to be coded as out of scope for VAT purposes).
- 10.2.2.6. The petty cash float can only be maintained/reimbursed from the academy's main bank account.
- 10.2.2.7. All petty cash will be kept in a locked box in the school safe and the AC will be responsible for its security.
- 10.2.2.8. The CPT will be responsible for the prompt entry of transactions onto the financial accounting system.
- 10.2.2.9. The AC will be responsible for the monthly reconciliation of petty cash. The reconciliation is then reviewed by the SA who will sign and date the reconciliation as evidence of review.

10.3. Purchase Cards

- 10.3.1. The issue of purchase cards to key staff members is at the discretion of the Vine Trust, co-ordinated by the TFM.
- 10.3.2. The SoFD reflects the combined purchase card limit available to an academy across all cards issued. The SA will determine the cards required and the limits to be applied, the FP will maintain a list to this effect.
- 10.3.3. Purchase cards;
 - 10.3.3.1. Are no longer available to schools.
 - 10.3.3.2. Are subject to the Vine Trust purchasing procedures and in all but the most exceptional circumstances (i.e. emergency repair up to a maximum of £500) a pre-authorised purchase order **must** be obtained prior to a purchase card commitment/transaction being made.
 - 10.3.3.3. **Must** not to be used for personal use.
 - 10.3.3.4. Should be stored in a safe when not in use.
 - 10.3.3.5. Should only be used when it is not practical to purchase an item or items through a conventional purchase order process, such examples include but are not limited to internet purchases and catering supplies (i.e. online retailers without credit agreement).
 - 10.3.3.6. **Must** only be used on secure websites that the TA has gained reassurance are safe and free from fraudulent activity. **Bidding on online auction websites is not permitted.**
- 10.3.4. Purchase card statements **must** be reconciled monthly by the TA to the financial accounting system, all entries will be supported by an authorised purchase order and a VAT invoice/receipt. VAT invoices/receipts **must** be scanned and attached to the corresponding transaction records in the financial accounting system.
- 10.3.5. Monthly statements are to be authorised by the TFM and uploaded onto the Financial Accounting System.

- 10.3.6. Misuse of purchase cards by individuals must be reported to the CFO.
- 10.3.7. Failure to demonstrate consistent compliance with financial control and authorisation procedures may result in purchase card facilities being withdrawn from key staff and/or the academy, at the discretion of the Vine Trust and/or external auditors.

10.4. BACS Procedures and Controls

- 10.4.1. On the initial set up of a supplier record in the financial accounting system, the CPT will request written/electronic confirmation from the company of their bank and VAT registration details on company stationary.
- 10.4.2. On receipt of bank details (initial or subsequent changes thereto) the CPT will obtain independent verification, by way of e-mail or telephone call, using contact details not directly provided by the supplier and will write on/sign the letter of authority that this has been received, before bank details are changed and/or a payment is made.
- 10.4.3. The CPT will scan and attach both the authorisation request and validation evidence to the supplier record typically within 5 working days of any change being made, retaining the original documents for audit purposes.
- 10.4.4. The TCPM is responsible for ensuring that all bank account changes applied to the financial accounting system are checked monthly for accuracy and that appropriate verification has been obtained and uploaded. Signed evidence of the checks are to be retained for audit purposes.
- 10.4.5. All BACS payments on the financial accounting system, , **must** be signed individually by 2 mandated bank signatories, in accordance with these financial regulations and the relevant SoFD, to confirm authorisation for payment.
- 10.4.6. All BACS payments should be uploaded directly from the financial accounting system into the online banking system, manual keying of BACS payments will require evidence that bank details have been checked against academy records by both authorising signatories.
- 10.4.7. Once BACS payments have been authorised and processed, remittance advices will be sent to each supplier. Advices are sent electronically, directly from the financial accounting system where an appropriate audit trail is maintained.
- 10.4.8. Where payments are managed through the Central Processing Team, the responsibility of the FP in sections 10.4.1 – 10.4.7 shall be transferred to the Central Processing Manager (TCPM) who may at their discretion delegate some of the administrative elements within the Central Processing Team (CPT).

10.5. Investments

- 10.5.1. Maximising income on balances as far as possible through a high deposit account or fixed term investment is recommended, where appropriate, ensuring compliance with the TH and guidelines set out in the Vine Trust Investment Management Policy. All additional accounts and/or investments must be co-ordinated by the TFM and approved by the CFO.

11. Purchasing and Payment Procedures

The Vine Trust **must** achieve Value for Money (VfM) on all purchases. A significant proportion of purchases are paid with public funds and it is essential that we 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 Vine Trust and within its academies.
- **Accountability** - The Vine Trust and its academies are publicly accountable for their expenditure and the conduct of their affairs.
- **Fairness** - All those involved with the Vine Trust and its academies are dealt with on a fair and equitable basis.

11.1. Routine Purchasing

- 11.1.1. Budget holders will be responsible for requesting the purchase of items or services from their own budgets and in accordance with their delegated limits.
- 11.1.2. **Purchase requests** will be made by;
- 11.1.2.1. A direct online requisition/order request via the 'Purchasing' module of the financial accounting system or,
- 11.1.2.2. Completion of an internal Order Form ([appendix 16.3](#)) submitted to the AC or person with delegated order processing/procurement responsibilities.
- 11.1.3. On receipt of a purchase request the FP (academy) / TFM (Vine central operations) will be responsible for;
- 11.1.3.1. Confirming the nominal/account (cost centre) allocation details for each order line are coded correctly (or CPT will attach codes as per the nominal/cost centre guidance sheet)
- 11.1.3.2. Ensuring Value for Money is obtained in all circumstances.
- 11.1.3.3. Ensuring that where multiple competitive quotations are required according to the SoFD, documentary evidence of the various quotations obtained **must** be attached to the purchase request.
- 11.1.3.4. In emergency situations or where comparable quotations are not deemed to be appropriate or obtainable, the CEO and CFO can agree to waive current

- procurement requirements. In the event of this occurrence a Waiver Form will need to be completed and signed ([appendix 16.5](#))
- 11.1.3.5. Ensuring that where a quotation other than the lowest is recommended, authorisation **must** be obtained from the CFO (with documented rationale) prior to acceptance or proceeding. The CFO will co-ordinate authorisation in accordance with limits set out in the appropriate SoFD.
- 11.1.3.6. Confirming the supplier/contractor against which the order will be raised.
- 11.1.3.7. Confirming, where appropriate, adequate checks (including Safeguarding and risk assessment) are to be made so that contractors engaged for building works have Public Liability Insurance Cover, minimum value determined by the conditions of the Risk Protection Scheme (RPA) and or The Board, from time to time.
- 11.1.3.8. Determining that the budget(s) has/have sufficient funds to meet the order.
- 11.1.3.9. Transferring a purchase request into an unauthorised order on the financial accounting system, typically within 10 working days of receipt.
- 11.1.4. **Orders must** be authorised in accordance with the 'Authorisation Limits' set out in the appropriate SoFD prior to being placed with a supplier/contractor by the FP or person with delegated processing/procurement responsibility excepting those emergency requirements set out in [Section.11.1.4.2](#) below.
- 11.1.4.1. Orders processed through the financial accounting system will be subject to its advanced workflow and result in a fully authorised Purchase Order (PO) being generated which can be sent via Document Emitter to the supplier/contractor.
- 11.1.4.2. Exceptionally, Purchase Orders may be raised outside of the financial accounting system i.e. verbally/manually once authorised by the SA/TA, but only in the following specific cases;
- Supply Teachers – where unexpected absence has occurred
 - Emergency Repairs
 - Educational Visits (where it is not possible to raise a system generated purchase order)
 - Online training courses – where places are limited and/or time sensitive
 - Covid-19 related emergency supplies/resources of a time sensitive nature
 - For the above exceptional circumstances it is not necessary to retrospectively place an order commitment onto the financial accounting system.
 - Evidence must be retained that demonstrates authorisation limits have been observed.
- 11.1.5. **'Over Budget' orders must** be monitored by the FP, TFCM and CFO. The FP must consider the below points;
- 11.1.5.1. The circumstances leading to an authorised budget element being exceeded.
- 11.1.5.2. Any actions to be taken as a result of a budget element being exceeded i.e. budget update, drawing down contingency etc.
- 11.1.5.3. The impact of the order on both the 'in-year' and 'future periods' budget forecasts.

- 11.1.5.4. Whether reserves will be used to meet the order commitment, if so, can the academy continue to meet the requirements of the Reserves Policy and is this recognised by the SLT?
- 11.1.5.5.
- 11.1.6. It is recommended that the AC, or person with delegated responsibility, review all unauthorised orders on a weekly basis to:
 - 11.1.6.1. Determine whether a delay in processing can be identified and resolved,
 - 11.1.6.2. Identify historic commitments / orders that are no longer required on the financial accounting system (these still appear as commitments on the purchase ledger and distort the trial balance), once investigated and if appropriate these should be cancelled with an appropriate narrative attached to the system document.
 - 11.1.6.3. Provide evidence that the order process is monitored for accuracy and efficiency.
- 11.1.7. **On delivery;**
 - 11.1.7.1. A detailed check of the goods will be undertaken and a record of any discrepancies made.
 - 11.1.7.2. The Good Received Note (GRN)/delivery note/invoice will be signed and dated by the person(s) performing the above check for audit purposes on the day of delivery.
 - 11.1.7.3. Once signed the contents of the GRN/delivery note will be promptly entered onto the financial accounting system, within 3 working days.
 - 11.1.7.4. Any discrepancies between the GRN/delivery note(s) will be notified to the supplier/contractor within their terms by the AC or person with delegated order processing/procurement responsibility.
 - 11.1.7.5. Discrepancies or returned items will not be entered onto the financial accounting system as received and the GRN/delivery note will be annotated accordingly.
 - 11.1.7.6. It is recommended that the person checking goods received is not the same as the person raising the order.
- 11.1.8. If any goods are rejected or returned to the supplier because they are not as ordered, damaged or of a sub-standard quality the AC or person with delegated responsibility will ensure the goods details are added to a local/central record of goods returned to suppliers.
- 11.1.9. **All invoices** received, both Purchase Order Invoices (POIN) and Non-order Purchase Invoices (LLPI), will be date stamped (for paper copies only), checked against the original order for accuracy (and delivery notes where appropriate) and entered promptly onto the financial accounting system. Particular care should be exercised to ensure VAT is treated correctly and that it is posted into the correct period.
- 11.1.10. Purchase Order Invoices (POIN) received where the value, including unanticipated postage/delivery costs, exceeds the authorised purchase order (PORD) value but is within a tolerance limit determined by the Vine Trust, currently £25.00, are automatically approved for payment.

- 11.1.11. All Non-Order Purchase Invoices and POIN's where the value, including unanticipated postage/delivery costs, exceeds the authorised purchase order (POR) value **and** exceeds a tolerance limit determined by the Vine Trust, currently £25.00, will be transferred to the 'REG.REG Database' in the financial accounting system whereby, a new workflow authorisation request will be triggered and authorisation will be required in accordance with the appropriate SoFD before the invoice is released for payment. The FP or person with delegated responsibility will;
- 11.1.11.1. No longer required – replaced by automatic workflow
 - 11.1.11.2. Identify the cause of any discrepancies appearing on the report, recording them on both the report and the invoice.
 - 11.1.11.3. Check and confirm that any non-order purchase invoice(s) have not already been paid. The SA/TA electronic authorisation of a non-order purchase order will constitute confirmation they are satisfied that suitable checks have been undertaken to ensure the document has not previously been passed for payment.
 - 11.1.11.4. Determine whether any variances are within or outside of an approved budget and obtain authorisation as appropriate, supporting orders/invoices may be required.
 - 11.1.11.5. The School Approver (Trust Approver if appropriate) must authorise each discrepancy and will be required to sign and date the Purchase Order / Invoice Discrepancy Report as evidence of this for audit purposes.
 - 11.1.11.6. No longer required – replaced by automatic workflow.
 - 11.1.11.7. No longer required – replaced by electronic workflow.
 - 11.1.11.8. All invoice numbers **must** be keyed accurately into the accounting system to avoid duplication. Any system query relating to a duplicate invoice number **must** be fully investigated and the document annotated with 'Not previously passed for payment' with additional supporting narrative if necessary prior to authorisation for payment.
 - 11.1.11.9. Staff refreshments can be purchased through the accounting system, however, public funding **must not** be used as the payment source i.e. a staff collection **must** be taken and income clearly identified in the accounting system and separate reconciliation retained.

11.2. Internet Purchases

- 11.2.1. At all times, the same rigour of internal control must be placed on internet purchases as is normally applied to routine/standard procurement with regard to separation of duties, authorisation controls and independent management checking.
- 11.2.2. The AC (academy)/TFM (Vine central operations), or person with delegated responsibility will be authorised to place online purchases. Any internet order **must** be raised in the name of the academy/Trust, not to an individual.
- 11.2.3. Requests should be made to the FP/TFM or person with delegated responsibility in the normal manner ([section 11.1](#)), an official order should be raised on the financial accounting system in all but the most exceptional circumstances and authorised in

accordance with the appropriate SoFD. Where possible the PORD reference number should be quoted on the internet order as a cross reference.

- 11.2.4. It is the responsibility of the AC/TFM to ensure the internet is the most appropriate means for procurement.
- 11.2.5. The preferred method of payment for internet purchases will be the request of an invoice from the supplier, using the normal payment route. In the event that this is not possible a key staff member issued with an academy Purchase Card ([section 10.3](#)) may place/pay for the purchase against a fully authorised purchase order (PORD).
- 11.2.6. Payment by an individual's personal credit card should only be considered when the above options have been exhausted attempted and failed. The correct authorisation procedure for purchases should still be adhered to ([section 11.1](#)) and the academy/trust retains the right to refuse to reimburse the individual if the procedures are not followed.
- 11.2.7. Reimbursements to individuals should be made in the normal manner upon production of an original invoice/receipt.
- 11.2.8. Supplier invoices, delivery notes and all relevant documentation should be obtained for all internet purchases and retained for scanning and attachment to the respective entry in the financial accounting system, this is especially important if any element of VAT is to be reclaimed.
- 11.2.9. Internet purchases should only be used on secure websites that the SA/CPT has gained reassurance are safe and free from fraudulent activity. **Bidding on online auction websites is not permitted.**

11.3. Payments and Procedures

- 11.3.1. The CPT (academy) / TFM (Trust) is accountable for the control of cheques/BACS/other electronic payments.
- 11.3.2. Authorisation of any payment(s), in accordance with the appropriate SoFD, **must** be obtained prior to the release of funds.
- 11.3.3. **BACS and Faster Payments:**
 - 11.3.3.1. BACS processing and payments should be system generated
 - 11.3.3.2. Authorisation levels are determined by the appropriate SoFD and **must** be followed in all instances. Splitting BACS/Faster Payments so that payments fall below a local threshold is **not** permitted
 - 11.3.3.3. The input, control and monitoring of bank account details for BACS is covered in [section 10.4](#)
 - 11.3.3.4. Where an Academy wishes to process a manual BACS payment or Faster Payment;
 - the FP **must** seek secondary approval from a Trust Approver (TA).

- the FP **must** submit all supporting documentation relating to the transaction to the Central Finance Team via e-mail to support@dcvst.org clearly identifying 'BACS/Faster Payment FAO TA' in the subject header.
 - It is the responsibility of the TA to release the payment(s).
- 11.3.3.5. Where the Vine Central Operations Team wishes to process a manual BACS payment or Faster Payment the TFO **must** seek secondary approval from the appropriate Trust Approver in accordance with the SoFD, submitting all supporting documentation relating to the transaction to the Trust Finance Manager (TFM) via e-mail to support@dcvst.org clearly identifying 'BACS/Faster Payment FAO TFM' in the subject header.
- 11.3.3.6. Where secondary approval is required for a BACS payment the FP/TFO should ensure a minimum of 3 additional working days is factored into the payment date to allow for secondary authentication/approval.
- 11.3.3.7. Where secondary approval is required for a Faster Payment the FP/TFO **must** contact the TFM/CFO by telephone who will at their discretion determine whether an exception to timescales detailed in section 11.3.3.5 is practical.
- 11.3.3.8. Where an academy requests/requires secondary approval for a BACS or Faster Payment by a TA, it is the responsibility of the TA to ensure approval has been obtained from two mandated bank signatories in accordance with the SoFD prior to payment being released.

11.3.4. Cheques:

- 11.3.4.1. Payment by cheque should be exceptional, every effort should be made to obtain BACS details from suppliers and their records entered onto the financial accounting system as detailed in section 10.4.
- 11.3.4.2. Cheque run reports/paylists are to be kept on file and signed by the SA/TA, confirming an unbroken sequence of cheque numbers.
- 11.3.4.3. Spoiled cheques are cancelled on the financial accounting system, defaced and retained on file to confirm that all cheques have been accounted for.
- 11.3.4.4. All blank cheques are securely stored and properly accounted for.
- 11.3.4.5. Blank cheques are not pre-signed.
- 11.3.4.6. Where continuous cheque stationary is used, the approved format is complied with, in accordance with Vine Trust guidance.
- 11.3.4.7. Remaining cheque levels should be kept to a minimum.
- 11.3.4.8. The CPT is responsible for ensuring that all raised cheques are entered correctly on the financial accounting system within 10 working days of a payment being made.

11.3.5. Internal / Intra-Company Transactions:

- 11.3.5.1. The Trust Finance Manager (TFM) will be responsible for posting all internal/intra-company transactions on the financial accounting system, including funding payments, and for reconciling the appropriate control accounts in accordance with the Monthly Accounting Timetable.
- 11.3.5.2. Where a reimbursement between academies within the Trust is required:
- It is the responsibility of the FP from the Academy reclaiming funds to prepare an Intracompany Authorisation Form (ICAF) or a Recurring Intracompany Authorisation Form (RICAF) and obtain appropriate authorisation from the SA at the Academy where funds are being

reimbursed from (where this involves recovery of staff costs an RICAF should be used).

- Where regular/repeat journals are required a Recurring Intracompany Authorisation Form (RICAF) may be used to reduce monthly submissions and will represent a 'standing authority' until cancelled.
- 1.1.1.1..1. Where the RICAF involves recovery of staff costs the form is to be completed and appropriate authorisation obtained from the SA at the Academy where the funds are being reimbursed from.
- 1.1.1.1..2. It is the responsibility of the Academy reclaiming funds to submit any revision or cancellation notice to a standing instruction in an RICAF.
- 1.1.1.1..3. The TCPM will ensure that a record of RICAF instructions is maintained.
- It is the responsibility of the FP from the Academy reclaiming funds to support the ICAF/RICAF with original journal posting details and other supporting documentation, as appropriate or required/requested, to demonstrate that the reimbursement is 'at cost' (care must be exercised when staff cost reimbursements are made to ensure employee confidentiality is maintained and personal information redacted).
- It is the responsibility of the TFM to maintain a register of RICAF's and to allocate a unique reference number to each RICAF (this can be reflected in the form by renaming the worksheet tab).
- Reimbursement of SA salary and expense payments using this method **must** be approved by the Local Schools Board/Local Board of the Academy making the payment.
- Once an ICAF or RICAF has been completed the FP from the Academy reclaiming funds will, save the authorised form and all supporting information to Confidential Document Exchange with confirmation being emailed to support@dcvst.org for processing, including ICAF or RICAF in the subject line. Original/hardcopies will be retained at the academy for audit purposes.
- The Monthly Accounting Timetable identifies 'cut-off' dates to assist the FP if reimbursements are time sensitive.

11.3.5.3. The Trust Finance Manager (TFM) will be responsible for processing all bank transfers in relation to internal/intra-company transactions, with Chief Financial Officer (CFO) authorisation if required, in accordance with the appropriate SoFD.

11.3.6. The School Approver/Trust Approver must ensure that all prime financial records are retained in accordance with section 8 and stored in a secure, accessible and logical way.

11.3.7. BACS, other electronic payment methods and cheques will be made in accordance with the trading terms of individual contractors/suppliers since due regard must be taken of the 'Late Payment and Commercial Debt Regulations 2002' and the reputation of the Vine Trust.

- 11.3.8. If discounts are available for prompt payment, then payments can be made immediately, having taken into account any loss of interest that might arise.
- 11.3.9. A copy of the computer generated remittance advice relating to the payment will be affixed to the original invoice only where a cheque has been raised.
- 11.3.10. The requirement for an original purchase order invoice (POIN) to be marked as 'PAID' and clearly marked with the financial accounting system payment reference and journal entry number is **no longer required (from v2.031)**.
- 11.3.11. The requirement for a non-order to be marked as 'PAID' and clearly marked with the financial accounting system payment reference and journal entry numbers is **no longer required (from v2.031)**.
- 11.3.12. Copy invoices are not to be paid unless verified that payment has not previously been made and that the invoice related to a previously authorised purchase order. References back to the original order are to be made in every case. Once the checks have been made the invoice **must** be annotated to confirm this and endorsed 'Copy invoice not previously passed for payment'.
- 11.3.13. Payments **must** not be made against statements under any circumstance. Payments against pro-forma invoices can only be made in exceptional circumstances with the agreement of either the DFO or the CEO.
- 11.3.14. All documentary evidence relating to a purchase order/invoice must be scanned and attached to the transaction entry, in the financial accounting system prior to payment of the invoice, the attachments should be applied to:
 - 11.3.14.1. Purchase Order (fully authorised)
 - 11.3.14.2. Delivery Note/Good Received Note (signed and validated)
 - 11.3.14.3. Invoice (clearly showing approved for payment)
 - 11.3.14.4. Supporting quotes, warranties and additional information as appropriate will be attached to the Purchase Order record.
 - 11.3.14.5. Remittance Advice - No longer required evidence retained in accounting system.
- 11.3.15. Remittance advices **must** be e-mailed to suppliers directly from the Financial Accounting System.

11.4. Tendering Procedures

11.4.1. Introduction to tendering

- 11.4.1.1. In accordance with agreed procurement standards, approval of high value purchases, new contracts and capital projects over £50,000 will only be made after following the Vine Trust's tendering procedure.
- 11.4.1.2. The CFO **must** be advised of potential qualifying purchases/contracts/projects in the first instance by the SA/FP prior to proceeding with the tender process. The Vine Trust Central Operations Team/Diocesan Schools Officer will oversee all tendering processes.

- 11.4.1.3. If the Vine Trust or one of its academies undertakes a high-value or EU-Qualifying purchase an Invitation to Tender will need to be issued as part of the process. An Invitation to Tender is a pack of documents sent out to potential suppliers inviting them to submit a b
- 11.4.1.4. For more specialist or complex works and purchases, the Trust or academy may choose to appoint a professional third party to carry out the tender process on their behalf (i.e. consultant, architect etc.). If a third party is used, it is expected to apply these regulations with the same rigour and ensure that the principles of the Office of Government Commerce (OGC) Procurement Policy and Standards Framework are adhered to. The Diocesan Schools Officer **must** be involved in all qualifying capital project work.

11.4.2. Forms of Tenders

- 11.4.2.1. There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.
- 11.4.2.2. **Open Tender:** This is where all potential suppliers are invited to tender. The FP/SA must discuss and agree with the Diocesan Schools Officer/CFO how best to advertise for supplier's 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.
- 11.4.2.3. **Restricted Tender:** This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:
- there is a need to maintain 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.
- 11.4.2.4. **Negotiated Tender:** The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances where:
- the above methods have resulted in either no or unacceptable tenders,
 - only one or very few suppliers are available,
 - extreme urgency exists
- 11.4.3. deliveries by the existing supplier are justified.

11.4.4. Preparation for Tender

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

11.4.5. Invitation to Tender

11.4.5.1. If a restricted tender is 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.

11.4.5.2. 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.

11.4.6. Aspects to Consider

11.4.6.1. Financial

- Like should be compared with like and if a lower price means a reduced service, functionality, or quality this must be borne in mind when reaching a decision.
- Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.
- Is there scope for negotiation?
- It is recommended that a total cost of ownership exercise, over a minimum period of 5 years, is undertaken

11.4.6.2. Technical/Suitability

- Qualifications of the contractor/supplier
- Relevant experience of the contractor/supplier
- Description of technical and service facilities
- Certificates of quality/conformity with standards as applicable
- Quality control procedures
- Details of previous sales and references for past customers

11.4.6.3. Other considerations

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

11.4.7. Tender Instructions

11.4.7.1. The invitation to tender should state the date and time by which the completed tender document should be received by the academy.

11.4.7.2. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening.

- 11.4.7.3. Tenders received after the submission deadline should not normally be accepted.

11.4.8. Tender opening procedures

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

11.4.9. Tendering Evaluation and Acceptance

- 11.4.9.1. The Board has set a minimum requirement of 3 (three) tenders for fair evaluation purposes and in the interest of achieving best value. In any consideration of less than that number being received the Local Board **must** refer this in the first instance to the CFO for subsequent referral to the Finance, Risk & Audit Committee who will consider whether this is sufficient and consider re tendering. Decisions to go ahead should fully document the justification.
- 11.4.9.2. The evaluation process should involve at least two people. Those involved **must** 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.
- 11.4.9.3. Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers/contractors that could compromise or be seen to compromise their independence.
- 11.4.9.4. Full records should be kept of all criteria used for evaluation and a report should be prepared for the Finance, Risk & Audit Committee highlighting the relevant issues recommending a decision.
- 11.4.9.5. Where required by the conditions attached to a specific grant from the DfE/ESFA, their approval must be obtained before the acceptance of a tender.
- 11.4.9.6. The accepted tender should normally be the one that is economically most advantageous in terms of best value to the academy that meets all the requirements identified at scoping. All parties should then be informed of the decision. Where a tender other than the lowest has been accepted, the reasons for its acceptance must be documented and reported by the Vine Trust Finance, Risk & Audit Committee. All decisions made must be justified and recorded as such in the minutes of that meeting for future reference.
- 11.4.9.7. A copy of the tender documentation should be held on site for easy reference as required.
- 11.4.9.8. Acceptance of any tender will be confirmed to the contractor/supplier in writing and no work shall be started until this has been done.
- 11.4.9.9. Any contracts awarded will include a paragraph to the effect that any contractor will be prohibited from transferring or assigning, directly or

indirectly, any portion of the contract to any other person or contractor, without the written permission of the Finance, Risk & Audit Committee.

11.5. Official Journal of the European Union

- 11.5.1. Purchases over the EU threshold are to be dealt with in accordance with FIND A TENDER and in accordance with the appropriate SoFD.
- 11.5.2. The Vine Trust will retain oversight of potential qualifying purchases, procedures detailed in section 11.4.1 **must** be observed.
- 11.5.3. The Finance, Risk & Audit Committee will be responsible for authorising qualifying purchases, committee minutes will reflect the discussion and authorisation prior to any commitment being made.

11.6. Existing Contract Review and Procedures

- 11.6.1. The Vine Trust engages a number of 'Key Partners' who provide group arrangements/core services and efficiencies through centralised processing opportunities i.e. Essex Education Services, PS Financials, Challenge Partners etc. Where the average annual contract cost per academy exceeds £50,000 then tendering procedures detailed in section 11.4 will be implemented on contract renewal.
- 11.6.2. High-Value contracts with Key Partners i.e. those in excess of £100,000 per annum, or those additionally identified by the Vine Directors/CFO from time to time, will be subject to a formal review every 3 (three) years to ensure best value is maintained, findings and actions if appropriate will be included in the minutes of the next Finance, Risk & Audit Committee.
- 11.6.3. Intermediate Value Key Partner contracts i.e. those less than £100,000 per annum will be monitored annually along with Vine Trust 'Preferred Suppliers' to ensure that best value is maintained.
 - 11.6.3.1. Vine Trust Preferred Suppliers are designated by the Finance, Risk & Audit Committee/CFO.
- 11.6.4. All 'other contracts' i.e. local academy agreements will be monitored regularly, typically annually, to ensure best value is maintained.

12. Payroll and Personnel Procedures

- 12.1.1. All staff appointments, amendments to an employee's terms of employment and terminations of employment are to be made in accordance with the arrangements laid down in section 3.8. of this policy, the Vine Scheme of Delegation and other relevant Vine policies.
- 12.1.2. There **must** be clear two step authentication of data input and approval on a Payroll Service Providers electronic platform. In all instances the instruction to apply and approve changes/updates **must** be made in accordance with arrangements set out in section 3.8. of this policy.
- 12.1.3. The FP (or person with specifically delegated responsibility) and School Approver (SA) i.e. Executive Headteacher (EHT)/Headteacher (HT) will be responsible for maintaining accurate and up to date personnel records within the payroll service provider and both the Vine Trust financial accounting and budgeting systems.
- 12.1.4. Neither the EHT/HT nor the Head of School (HoS)/Deputy Headteacher (DH) can authorise amendments concerning their own pay and contract conditions. Changes to the EHT/HT pay and contract conditions **must** be authorised by the Vine Trust Pay Committee.
- 12.1.5. The FP cannot authorise amendments concerning their own pay and contract conditions. Changes to the FP pay contract conditions **must** be authorised by the appropriate SA or Trust Approver.
- 12.1.6. Designated individuals within The Vine Trust Central Operations Team will retain administrator and authoriser permissions across all academies within the Vine Trust for support and resilience purposes.
- 12.1.7. All salary payments **must** be made by BACS.
- 12.1.8. The FP (academy)/TFM (Vine Trust) has responsibility for checking and reconciling actual monthly payroll payments and deductions to those expected and committed, in accordance with timeframes determined in the Monthly Accounting Timetable.
- 12.1.9. The Apprenticeship Levy will be monitored by the TFM, who will liaise with both the Payroll Service Provider and FP's and make adjustments as necessary.
- 12.1.10. Payments made each month to the Payroll Service Provider are debited against the relevant budgets and credited to payroll control accounts. After the appropriate BACS transfers and the corresponding entries in the payroll control accounts and the academy/trust bank accounts have been made, any balance remaining in the payroll control accounts must be reconciled and appropriate explanations documented. It is the responsibility of the TFM/TFO to ensure that this is done.
- 12.1.11. Each month the FP/TFM will reconcile back to bank statements all payments for salaries, BACS and other salary related payments.
- 12.1.12. Each month the FP and EHT/HT in an Academy and the TFM/CFO for trust central staff, will check a sample of personnel/budget records maintained by the academy

to the payments actually made by the Payroll Service Provider. Any variances **must** be investigated and a documented explanation provided, with adjustments made as appropriate.

- 12.1.13. It is expected that over the course of an academic year every member of staff would have his/her salary payment checked against budget and personnel records at least termly. It is the responsibility of the EHT/HT to ensure this is done. This monitoring is to be recorded and available for checking by external auditors, Vine Trust Central Operations Team, Responsible Officer and Accounting Officer as required.
- 12.1.14. Copies of all individual notifications to the Payroll Provider will be filed by the FP (or specifically designated individual) in the personal file of the staff member concerned and kept secure.
- 12.1.15. The EHT/HT (or formally delegated authority) will carry out termly management checks to ensure that all internal control mechanisms shown above are in place and are being adhered to, and to ensure the accuracy of payroll working papers.
- 12.1.16. The AC/TFM is responsible for ensuring that annual salary statements are issued to all staff as follows:
 - 12.1.16.1. Those employees on Teachers Conditions – September annually
 - 12.1.16.2. Those employees on Local Government Conditions – April annually
 - 12.1.16.3. Copies of salary statements are to be filed in the employee's personal file, or attached electronically to the employee's records in the Trust HR Portal, and kept secure.
- 12.1.17. Setting executive pay
 - 12.1.17.1. The Board of Directors **must** follow a robust evidence-based process when making decision about levels of executive pay, which includes salary and any other benefits; the individuals concerned must not be involved in this process. The levels set must be a reasonable and defensible reflection of the individual's role and responsibilities as the number of employees whose benefits exceed £100k must be published on the trusts website.
 - 12.1.17.2. The Board of Directors **must** ensure its approach to pay and benefits is transparent, proportionate, justifiable and conflicts of interest are avoided. It is the responsibility of the Chairman to make sure all decisions are clearly recorded and all the relevant documentation is retained and held by the TFM for auditor scrutiny.
 - 12.1.17.3. Trusts must obtain prior approval from the ESFA for staff severance payments of £100k or more and or where the employee earns over £150k.

13. Income

13.1. EFSA Grants

- 13.1.1. The main source of income for the Vine Trust is by way of academy grants from the ESFA, i.e. General Annual Grant, Pupil Premium Grant, Universal Infant Free School Meals Grant, PE & Sports Grant etc.
- 13.1.2. ESFA Grants will be remitted to the Vine Trust in the first instance and then transferred to academies, less holdback if appropriate, on dates typically determined by the Accounting Timetable issued by the Vine Trust.
- 13.1.3. All ESFA Grant transaction processing, including posting onto the financial accounting system, will be undertaken centrally and monitored by the CFO.
- 13.1.4. It is the responsibility of the FP to ensure that EFSA funding in relation to their academy(s) reconciles and that holdback calculations are accurate. The original ESFA remittance advice and a Payment Schedule, detailing holdback calculations and cumulative funding information, will be provided for reconciliation purposes.
- 13.1.5. It is the responsibility of the FP to ensure that ESFA Grants due to the academy are received and that any variance between budget and actuals are investigated immediately.
- 13.1.6. Any centrally held balances can be allocated to projects at the Trusts discretion.

13.2. Other Grants

- 13.2.1. The receipt of these sums e.g. Local Authority Income, is monitored directly by the FP who is responsible for ensuring that all grants due to the academy are collected.
- 13.2.2. Variances between budget and actuals should be investigated immediately and reported to the EHT/HT.

13.3. Other income

- 13.3.1. Other income includes but is not limited to catering, lettings, trips, clubs and charitable collections.
- 13.3.2. It is the responsibility of the FP to ensure that all income due to the academy has been received, banked and that all income due to the academy is collected and reconciled to the financial accounting system.
- 13.3.3. Income received through automated online payment systems (cashless facilities) for items such as. dinner money, lettings, trips, clubs, charitable collections etc. will be entered onto the financial accounting system at least weekly, supported by system generated reports that detail the amount, name of the person that the payment relates to, date and purpose of the payment and then reconciled to the bank account as soon as practicable. When setting up a contract with a new supplier for

provision of an online payment system, consideration should be given to the following areas:

- 13.3.3.1. Basis of fees payable to the company
- 13.3.3.2. Complete audit trail and facility of income reconciliation of totals received
- 13.3.3.3. Reminder facilities to chase up overdue amounts.

Any contract for the services of an online parental payment system service provider will be reviewed regularly by the Vine Trust to ensure its academies are receiving value for money and that the provider is giving an adequate service.

- 13.3.4. All 'other income' not received electronically should be accepted in a money envelope and recorded immediately, ideally on the academy's Daily Income Collection Record ([appendix 15.4](#)) subsequently entered onto the financial accounting system. The collection record **must** contain the amount received, the name of the person / organisation making the payment, the person acknowledging receipt, the date the payment is received by the academy and the method by which the payment is made i.e. cheque or cash. It is recommended best practice that where cash is received dual control exists and that money envelopes are retained for at least 3 months.
- 13.3.5. All income received by the academy should be banked at a minimum weekly and in full. The insurance cover for cheques and cash held on site must not be exceeded. However, if a high level of income is expected e.g. proceeds from a fete, the insurer must be informed to obtain short term cover and the income must then be banked as soon as practicable.
- 13.3.6. Personal cheques **must** not be cashed.
- 13.3.7. When income is banked the collection record must be totalled in value in order to provide a clear cross reference to the value entered on the paying in slip. The bank paying in slip number should then be entered onto the income collection record to assist in providing a clear and simple audit trail.
- 13.3.8. The FP is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank, the sums posted to the accounting system and related system generated reports. The reconciliations **must** be prepared promptly after each banking and must be reviewed and certified by the SA.
- 13.3.9. Other income received at the academy will be acknowledged to the payer by either:
 - 13.3.9.1. Issue of a receipt when the value of the payment exceeds £20.00 or,
 - 13.3.9.2. By the collector signing an official collection record i.e. Residential Trip Payment Card (if not through cashless facility).

No category of other income should be excluded from the issue of a receipt e.g. academy meals, charitable collections, trips, clubs etc. Copies of receipts issued should be retained for future reference, e.g. to resolve a future reference.

- 13.3.10. Where required, official pre-numbered academy receipts should be issued for all cheques and cash where no other formal documentation exists. All cheques and cash must be kept safe prior to banking.

13.4. Invoiced Income

- 13.4.1. Income due that is not managed through an online payment service provision i.e. SchoolMoney, **must** be invoiced using the financial accounting system.
- 13.4.2. The Vine Trust is not VAT registered, VAT on income does not need to be accounted for.

13.5. Gift Aid

- 13.5.1. The Vine Trust is an exempt charity and able to claim gift aid on donations from individuals.
- 13.5.2. Gift aid claims will be made online by the TFM, on behalf of an academy, against supporting information provided by the FP.
- 13.5.3. Gift aid income will be remitted to the Vine Trust, reconciled against the application and then transferred to the academy to which it relates.

13.6. Overdue Income

- 13.6.1. It is the responsibility of the FP/TFM to ensure that income due to the Academy Trust is received promptly.
- 13.6.2. Where income is overdue the procedures documented in the Trusts Debt Management Policy **must** be followed.

14. Risk Management

The trust risk register is maintained by the Trust Finance and Compliance Manager

The Finance, Risk and Audit Committee is responsible for directing the internal scrutiny and will ensure that the findings are made available to all trustees promptly.

14.1. Internal Scrutiny

- 14.1.1. The academy trust must manage the programme of internal scrutiny to provide independent assurance to the board that its risk management, financial and non-financial controls are operating effectively and efficiently. This must focus on evaluating the suitability of and level of compliance with financial and other controls, including checking transactions to confirm procedures are being followed; offering advice and insight to the board on how to address weaknesses to facilitate

improvement in controls; ensuring all categories of risk are being adequately identified, reported and managed.

14.1.2. The trust will decide the areas it will review each year based on risk; including any areas where procedures or systems have changed; taking account of output from other assurance procedures such as recommendations in external auditor's management letter and relevant ESFA reviews. The Trust will keep its approach to internal scrutiny under review, especially where there are changes to size, complexity or risk profile.

14.1.3. Internal scrutiny will be:

14.1.3.1. Independent and objective – not conducted by the accounting officer, CFO or any member of the finance team.

14.1.3.2. Conducted by someone suitably qualified, experienced and able to draw on technical expertise.

14.1.3.3. Covered by a scheme of work, driven and agreed by the Finance, Risk and Audit Committee and informed by risk.

14.1.3.4. Timely, with the programme of work spread appropriately over the year so higher risks are covered and re viewed in good time.

14.1.3.5. Evidenced by

- A report following each review, submitted to the audit committee, of the work conducted including recommendations for improved controls where appropriate
- An annual summary report for each year ended 31 August outlining areas reviewed, key findings, recommendations and conclusions enabling the committee to consider actions and assess year on year progress; this report will be submitted to \ESFA by 31 December each year along with its audited annual accounts.

14.1.4. The trust will deliver internal scrutiny in the following manner as the board has agreed this is most appropriate to their circumstances:

14.1.4.1. Appointment of a bought-in internal audit service from an organisation with professional indemnity insurance.

14.1.5. The trust's elected form of internal audit will complete a bi-annual programme of reviews following the scope of work agreed by the Finance, Risk and Audit Committee.

14.1.6. The Trust will submit its annual summary report of the areas reviewed, key findings, recommendations and conclusions to ESFA by 31st December each year alongside its audited accounts.

14.2. Register of Interests, Gifts & Hospitality

14.2.1. It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any

misunderstanding that might arise the academy trust must maintain a Register of Interests which captures relevant business and pecuniary interests of members, trustees, local governors of academies within a MAT, senior employees and staff with significant financial or spending powers.

- 14.2.2. The register is continually updated when changes occur and is subject to a full annual review to ensure it is kept up to date at all times. The register is open to public inspection. It should include all business interests such as directorships, partnerships, employments, share-holdings or other appointments of influence within a business or organisation which may provide goods or services to the trust; trusteeships and governorships including at other educational institutions and charities irrespective of whether there is a trading relationship with the trust. For each interest the register must show the name of and nature of the business, the nature of the interest and the date the interest began.
- 14.2.3. The register must identify any relevant material interests arising from close family relationships between the academy trust's members, trustees or local governors; and also those arising from close family relationships between those individuals and employees. It must also include business interests of relatives such as a parent or spouse / cohabitee or business partner where influence could be exerted over a governor or a member of staff by that person. The register may include other employees of the trust.
- 14.2.4. In addition to the register of business interests, all governors and staff must declare interests whenever they are relevant to matters being discussed by the Governing Body or a committee at each meeting. Where an interest has been declared, governors and staff should not attend that part of any committee or other meeting. The opportunity should also be given for governors and staff to declare previously undeclared interests at every meeting.
- 14.2.5. The Trust will publish the relevant business and pecuniary interests, including governance roles in other educational institutions, of trustees and members (taken from the Register of Business interests) on their website. If the trust's accounting officer is not a trustee, their relevant business and pecuniary interests must also be published on the website. The trust will publish the full Register of Business Interests on their website.
- 14.2.6. It is the responsibility of the FP (academy) / TFM (central operations, directors and members) to maintain the register for their academy/trust

14.3. Register of Persons with Significant Control (PSC)

- 14.3.1. Persons with significant control are defined as members holding more than 25% of the voting rights, either directly or indirectly. If there are 4 or less members in the Trust, they will all be classified as PSC's; in a church academy trust where a diocesan body has the right to appoint a majority of the directors that diocesan

body may well be a PSC; in a church academy trust where, in practice, a diocesan body exercises significant influence or control over the academy trust the diocesan body may well be a PSC.

14.3.2. From 06 April 2016 the trust will maintain a register of persons who have significant control.

14.3.3. From 30 June 2016, the trust will file information on the register with Companies House as part of a new annual confirmation statement which replaces the annual return. Where there are no PSC's the trust must put the following statement in the register:

14.3.3.1. "The company knows or has reasonable cause to believe that there is no registrable person or registrable relevant legal entity in relation to the company".

14.4. Gifts & Hospitality

14.4.1. The trust should have a policy on the acceptance of gifts, hospitality, awards, prizes or any other benefit which might be seen to compromise their personal judgement or integrity. Where such benefits have been received, they should be recorded in the register detailing, for each occasion, the nature of the benefit and the donor. When giving gifts, the trust must ensure that the value of the gift is reasonable, is within the trust's scheme of delegation, the decision is fully documented and has regard to the propriety and regularity in the use of public funds.

14.4.2. The trust and its academies must maintain a register even where no gifts have been declared, which should be signed by the Chair of the Local School Board for an academy and Finance Director for the Board and Central Teams, on an annual basis.

14.4.3. The Trust and its academies **must** ensure that:

14.4.3.1. No trustee, governor, employee or related individual or organisation gains from their position by receiving payment under terms that are preferential to those that would be offered to an individual or organisation with no connection to the trust;

14.4.3.2. No payment(s) are made to any trustee by the trust unless such payment(s) is/are permitted by the Articles and (where applicable) comply with the terms of any relevant agreement entered into with the Secretary of State. Academy trusts will in particular need to consider these obligations where payments are made to other business entities who employ the trustee, are owned by the trustee, or in which the trustee holds a controlling interest;

14.4.3.3. Any payment provided to the persons referred to in section 5.35 of TH 2022 satisfies the no-profit principles set out in this section of the Handbook;

14.4.3.4. There is probity in the use of public funds.

14.5. Trading with Connected Parties

- 14.5.1. From 7 November 2013, Academy trusts must pay no more than 'cost' (direct and indirect) for goods or section 5.35 of TH 2022.
- 14.5.2. De minimis - The 'at cost' requirement applies to contracts for goods and services from a connected party exceeding £2,500, cumulatively, in any one financial year of the trust. Where a contract takes the cumulative annual total with the connected party beyond £2,500, the element above £2,500 must be at no more than cost.
- 14.5.2.1. Cost is defined as 'full cost', that is the direct and indirect costs of all the resources used in supplying the goods or services, but **MUST NOT** include any element of profit.
- 14.5.3. The Trust and its academies **must** report all transactions with related parties to ESFA in advance of the transaction taking place, using the ESFA on-line form. This requirement applies to transactions made on or after 01 April 2019.
- 14.5.4. Trusts **must** obtain ESFA's prior approval, using ESFA's on-line form, for contracts for the supply of goods or services to the trust by a related party, agreed on or after 1 April 2019 where the limits set out in section 5.41 of TH 2022 are exceeded. The supply of services excludes salaries and other payments made by the trust to a person under a contract of employment through the trust's payroll.
- 14.5.5. The Trust must ensure that any agreement with a connected party to supply goods or services to the trust is properly procured through an open and fair process and is supported by a statement of assurance from the individual or organisation to the trust confirming the charges do not exceed the cost of goods or services and, following the basis of an open book agreement, including a requirement for the supplier to demonstrate clearly, if requested, that their charges do not exceed the cost of supply. The Vine Trust Designated Director (CFO) should formally approve all connected party transactions. Transactions should not be approved by the person who has declared an interest in the connected party.
- 14.5.6. For organisations supplying legal advice or audit services to the academy trust, the 'at cost' requirement only applies where the organisation's partner directly managing the service is a member or trustee of the trust, but not in other cases. The ethical standards for auditors prevent partners or employees of the audit firm from acting as a trustee of their client trust, but not of other trusts.
- 14.5.7. The 'at cost' requirement does not apply to the trust's employees unless they are also a connected party as defined in the TH
- 14.5.8. Should any connected parties as defined in TH, be based in, or work from the academy trust's premises, an appropriate sum must be charged for use/occupation of the premises where they are carrying out work that is **not** for the trust.

- 14.5.9. Additionally, salaries paid under contracts of employment should be appropriate to the individual's skills and experiences and to the salary rates paid in the wider market.

14.6. Business Continuity

- 14.6.1. The CFO **must** prepare a disaster recovery / business continuity plan in the event of loss of, or loss of access to, accounting facilities or financial data, which should then form part of the school's overall business continuity plan. This should link in with the annual assessment made by Directors of the major risks to which the Trust is exposed and the systems that have been put in place to mitigate those risks.
- 14.6.2. Business continuity plans should be established for each academy by the SA and Estates Team and reviewed termly.
- 14.6.3. The Trust must have an up to date Operations Procedures Manual to cover the event of absence of key personnel in the finance/administration team. The manual should be accessible to all staff members.

14.7. Risk Registers

- 14.7.1. For academies, the Local School Board should ensure that a risk register is reviewed and updated regularly in the format determined by the Vine Trust. It should identify significant risks and the members of staff responsible for managing it.
- 14.7.2. It is recommended that reviews are undertaken at least annually initially by a 'working party' consisting of the EHT/HT and FP and that both local and central risks are included and managed in line with the Vine Trust Risk Management Policy, for discussion at the next Local School Board or Committee meeting and included in the minutes as appropriate.
- 14.7.3. Risk Management **must** be an agenda item at each Local School Board and Finance, Risk & Audit Committee meeting and a copy of the register present for discussion.
- 14.7.4. Termly a copy of the Risk Register **must** be submitted to monitoring@dcvst.org or more regularly if significant changes are identified.
- 14.7.5. Where risk arises that threatens the reputation of the Vine Trust or the financial viability of an academy, they should be notified to the Finance, Risk & Audit Committee through the CFO immediately.

15. Insurance

- 15.1. The /Board of Trustees **must** ensure the academy has adequate insurance cover to support its activities and to comply with statutory requirements, or has opted into the academies risk protection arrangements (RPA) as per section 2.40 of TH 2022. The academy trust must note that not all risks are covered by the RPA (e.g. motor vehicles).
- 15.2. The Vine Trust have determined that all academies **must** opt into the Risk Protection Scheme (RPA).
- 15.3. Additional cover for engineering inspection, off site activities insurance, minibus etc. will be procured through the Vine Trust preferred provider, co-ordinated by the Trust Compliance Manager (TCPM).
- 15.4. Staff Absence Insurance will be co-ordinated by the Vine Trust with information provided by the FP upon request.
- 15.5. It is the responsibility of the CFO to arrange and renew insurance for the academy. The ESFA recommends using the Crescent Purchasing Consortium to obtain insurance cover for academies.

16. Appendices

16.1. Scheme(s) of Financial Delegation (SoFD)

- 16.1.1. The scheme(s) of financial delegation for academies within the Vine Schools Trust is predetermined annually by the number of pupils on roll at the Autumn Census preceding a new academic year and confirmed in the Annual Letter of Funding (GAG Statement), issued by the Education & Skills Funding Agency during the Spring Term.
- 16.1.2. The CFO will determine the appropriate scheme of financial delegation that **must** be applied by an Academy for the full academic year and will confirm this to the SA, Chairperson of the Local Schools Board/Local Board and FP by way of e-mail.
- 16.1.3. Senior Leaders directly accountable for multiple academies may apply to the CEO prior to the start of a new academic year for an aggregated scheme of financial delegation, where it can be demonstrated that shared financial resources are embedded and operational efficiency can be increased further across the academies. Each application will be evaluated on a case by case basis.
- 16.1.4. The SoFD may include the following abbreviations:
 - 16.1.4.1. CFO Chief Financial Officer
 - 16.1.4.2. TA Trust Approver (authorisation limits detailed in Appendix 16.1.1e)
 - 16.1.4.3. SA School Approver (typically Executive Headteacher/Headteacher)

16.1.4.4. FP Finance Partner

16.1.4.5. FIND A TENDER Official Journal of the European Union

16.1.4.6. BH Budget Holder

16.1.1a Academies with up to and including 115 pupils (determined at the start of each academic year)

Ordering Goods & Services	Value	Delegated Authority
Requisitions and Purchase Orders (within approved budget)	Up to £5,000	BH (if appropriate) and SA
	£5,001 to Find a Tender	SA and TA (subject to approval limits in 16.1.1e)
	Over Find a Tender	CFO
Authorisation of invoices	Up to £5,000	SA
	Over £5,000	SA & TA (subject to approval limits in 16.1.1e)
Quotations and tendering	Up to £3,000	One quote
	£3,001 to £5,000	Two quotes
	£5,001 to £50,000	Three quotes
	£50,001 to Find a Tender limit	Formal tender process, including a minimum of three suitably qualified suppliers requiring CFO approval
	Over Find a Tender limit	Find a Tender advertising required and Finance, Risk & Audit Committee approval
Authority to accept other than lowest quote		Next person on the procurement chain, supported by documented explanation prepared by FP&SA

Payments	Value	Delegated Authority
Payment by BACS/ electronic transfer (individual supplier total)	Up to £5,000	Any two bank signatories
	Over £5,000	Two bank signatories with approval of the appropriate TA prior to remittance
Payment by BACS/ electronic transfer (multiple supplier total)	Up to £15,000	Any two bank signatories
	Over £15,000	Two bank signatories, with secondary approval from the appropriate TA prior to remittance
Cheque	Up to £5,000	Any two bank signatories
	Over £5,000	Two bank signatories, one of which <u>must</u> be a TA
Purchase Card	Limited to £2,000 (aggregated across all cards issued)	SA (purchase cards may be issued to BH, FP & site staff but purchase payments can only be made if supported by a fully authorised Purchase Order)
Direct Debits	All instructions	Two bank signatories, one of which <u>must</u> be the CFO
Standing Orders	Up to £5,000 p.a.	Two bank signatories, one of which <u>must</u> be the SA, supported by an approved* budget plan

	Over £5,000 p.a.	Two bank signatories, one of which <u>must</u> be the CFO
--	------------------	---

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance, Risk & Audit Committee

Assets, Disposals & Write-Offs	Value	Delegated Authority
Fixed Asset Register	Over £1,500	The FP must identify all assets to be capitalised and <u>must</u> ensure these are included on the Academy's Fixed Asset Register (maintained by the Vine Trust Compliance Manager)
Disposal of assets approval	Up to £1,000	SA
	Over £1,000	CFO
	Over £45,000	The Board
Write-Off of bad debts approval (approval from the ESFA is required for single transactions exceeding £45,000 and cumulative transactions exceeding £250,000 in one year)	Up to £150	SA
	£151 to £45,000	CFO
	Over £45,000	The Board

Petty Cash**	Value	Delegated Authority
Imprest Level	£Nil	Historical facilities, in any event not exceeding £200, must be withdrawn within 2 months of conversion

** Petty cash must be phased out of Academy schools within 2 months of conversion

Contractual Agreements	Value	Delegated Authority
Contracts of less than 12 months and are included in an Academy's approved* budget plan	Up to £5,000	SA
Contracts greater than 12 months and/or not included in Academy's approved* budget plan	All values	CFO

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance, Risk & Audit Committee

Capital Projects	Value	Delegated Authority
	£2,000 to £50,000	Diocesan Schools' Officer

Capital Spending (includes DFC and other Capital Grant projects)	Over £50,000	The Board in conjunction with the Diocesan Board of Education
--	--------------	---

16.1.1b. Academies with 116 to 340 pupils (determined at the start of each academic year)

Ordering Goods & Services	Value	Delegated Authority
Requisitions and Purchase Orders (within approved budget)	Up to £10,000	BH (if appropriate) and SA
	£10,001 to Find a Tender	SA and TA (subject to approval limits in 16.1.1e)
	Over Find a Tender	CFO
Authorisation of invoices	Up to £10,000	SA
	Over £10,000	SA & TA (subject to approval limits in 16.1.1e)
Quotations and tendering	Up to £3,000	One quote
	£3,001 to £5,000	Two quotes
	£5,001 to £50,000	Three quotes
	£50,001 to Find a Tender limit	Formal tender process, including a minimum of three suitably qualified suppliers requiring CFO approval
	Over Find a Tender limit	Find a Tender advertising required and Finance, Risk & Audit Committee approval
Authority to accept other than lowest quote		Next person on the procurement chain, supported by a documented explanation prepared by FP & SA

Payments	Value	Delegated Authority
Payment by BACS/ electronic transfer (individual supplier total)	Up to £10,000	Any two bank signatories
	Over £10,000	Any two bank signatories with approval of the appropriate TA prior to remittance
Payment by BACS/ electronic transfer (multiple supplier total)	Up to £25,000	Any two bank signatories
	Over £25,000	Two bank signatories, with secondary approval from the appropriate TA prior to remittance
Cheque	Up to £10,000	Any two bank signatories
	Over £10,000	Two bank signatories, one of which <u>must</u> be the TA
Purchase Card	Limited to £2,000 (aggregated across all cards issued)	SA (purchase cards may be issued to BH, FP & site staff but purchase payments can only be made if supported by a fully authorised Purchase Order)
Direct Debits	All instructions	Two bank signatories, one of which <u>must</u> be the CFO
Standing Orders	Up to £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the SA, supported by an approved* budget plan

	Over £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the CFO
--	-------------------	---

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance, Risk & Audit Committee

Assets, Disposals & Write-Offs	Value	Delegated Authority
Fixed Asset Register	Over £1,500	The FP must identify all assets to be capitalised and <u>must</u> ensure these are included on the Academy's Fixed Asset Register (maintained by the Vine Trust Compliance Manager)
Disposal of assets approval	Up to £1,000	SA
	Over £1,000	CFO
	Over £45,000	The Board
Write-Off of bad debts approval (approval from the ESFA is required for single transactions exceeding £45,000 and cumulative transactions exceeding £250,000 in one year)	Up to £250	SA
	£251 to £45,000	CFO
	Over £45,000	The Board

Petty Cash**	Value	Delegated Authority
Imprest Level	£Nil	Historical facilities, in any event not exceeding £200, must be withdrawn within 2 months of conversion

** Petty cash must be phased out of Academy schools within 2 months of conversion

Contractual Agreements	Value	Delegated Authority
Contracts of less than 12 months and are included in an Academy's approved* budget plan	Up to £10,000	SA
Contracts longer than 12 months and/or not included in Academy's approved* budget plan	All values	CFO

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance, Risk & Audit Committee

Capital Projects	Value	Delegated Authority
	£2,000 to £50,000	Diocesan Schools' Officer

Capital Spending (includes DFC and other Capital Grant projects)	Over £50,000	The Board in conjunction with the Diocesan Board of Education
--	--------------	---

16.1.1c. Academies with 341 to 650 pupils (determined at the start of each academic year)

Ordering Goods & Services	Value	Delegated Authority
Requisitions and Purchase Orders (within approved budget)	Up to £15,000	BH (if appropriate) and SA
	£15,001 to Find a Tender	SA and TA (subject to approval limits in 15.1.1e)
	Over Find a Tender	CFO
Authorisation of invoices	Up to £15,000	SA
	Over £15,000	SA & TA (subject to approval limits in 15.1.1e)
Quotations and tendering	Up to £3,000	One quote
	£3,001 to £5,000	Two quotes
	£5,001 to £50,000	Three quotes
	£50,001 to Find a Tender limit	Formal tender process, including a minimum of three suitably qualified suppliers requiring CFO approval
	Over Find a Tender limit	Find a Tender advertising required and Finance, Risk & Audit Committee approval
Authority to accept other than lowest quote		Next person on the procurement chain, supported by a documented explanation prepared by FP & SA

Payments	Value	Delegated Authority
Payment by BACS/ electronic transfer (individual supplier total)	Up to £10,000	Any two bank signatories
	Over £10,000	Any two bank signatories with approval of the appropriate TA prior to remittance
Payment by BACS/ electronic transfer (multiple supplier total)	Up to £25,000	Any two bank signatories
	Over £25,000	Two bank signatories, with secondary approval from the appropriate TA prior to remittance
Cheque	Up to £10,000	Any two bank signatories
	Over £10,000	Two bank signatories, one of which <u>must</u> be the TA
Purchase Card	Limited to £2,000 (aggregated across all cards issued)	SA (purchase cards may be issued to BH but purchase payments can only be made if supported by a fully authorised Purchase Order)
Direct Debits	All instructions	Two bank signatories, one of which <u>must</u> be the CFO
Standing Orders	Up to £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the SA, supported by an approved* budget plan

	Over £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the CFO
--	-------------------	---

* An approved budget plan is one that has been formally authorised by The Board or Vine Trust Finance, Risk & Audit Committee

Assets, Disposals & Write-Offs	Value	Delegated Authority
Fixed Asset Register	Over £1,500	The FP must identify all assets to be capitalised and <u>must</u> ensure these are included on the Academy's Fixed Asset Register (maintained by the Vine Trust Compliance Manager)
Disposal of assets approval	Up to £1,000	SA
	Over £1,000	CFO
	Over £45,000	The Board with approval of the Secretary of State and the ESFA
Write-Off of bad debts approval (approval from the ESFA is required for single transactions exceeding £45,000 and cumulative transactions exceeding £250,000 in one year)	Up to £350	SA
	£351 to £45,000	CFO
	Over £45,000	The Board with approval of the Secretary of State and the ESFA

Petty Cash**	Value	Delegated Authority
Imprest Level	£Nil	Historical facilities, in any event not exceeding £200, must be withdrawn within 2 months of conversion

** Petty cash must be phased out of Academy schools within 2 months of conversion

Contractual Agreements	Value	Delegated Authority
Contracts of less than 12 months and are included in an Academy's approved* budget plan	Up to £15,000	SA
Contracts longer than 12 months and/or not included in Academy's approved* budget plan	All values	CFO

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance, Risk & Audit Committee

Capital Projects	Value	Delegated Authority
	£2,000 to £50,000	Diocesan Schools' Officer

Capital Spending (includes DFC and other Capital Grant projects)	Over £50,000	The Board in conjunction with the Diocesan Board of Education
--	--------------	---

16.1.1d. Academies with over 650 pupils (determined at the start of each academic year)

Ordering Goods & Services	Value	Delegated Authority
Requisitions and Purchase Orders (within approved budget)	Up to £20,000	BH (if appropriate) and SA
	£20,001 to Find a Tender	SA and TA (subject to approval limits in 16.1.1e)
	Over Find a Tender	CFO
Authorisation of invoices	Up to £20,000	SA
	Over £20,000	SA & TA (subject to approval limits in 16.1.1e)
Quotations and tendering	Up to £3,000	One quote
	£3,001 to £5,000	Two quotes
	£5,001 to £50,000	Three quotes
	£50,001 to Find a Tender limit	Formal tender process, including a minimum of three suitably qualified suppliers requiring CFO approval
	Over Find a Tender limit	Find a Tender advertising required and Finance, Risk & Audit Committee approval
Authority to accept other than lowest quote		Next person on the procurement chain, supported by a documented explanation prepared by FP & SA

Payments	Value	Delegated Authority
Payment by BACS/ electronic transfer (individual supplier total)	Up to £10,000	Any two bank signatories
	Over £10,000	Any two bank signatories with approval of the appropriate TA prior to remittance
Payment by BACS/ electronic transfer (multiple supplier total)	Up to £25,000	Any two bank signatories
	Over £25,000	Two bank signatories, with secondary approval from the appropriate TA prior to remittance.
Cheque	Up to £10,000	Any two bank signatories
	Over £10,000	Two bank signatories, one of which <u>must</u> be the TA
Purchase Card	Limited to £2,000 (aggregated across all cards issued)	SA (purchase cards may be issued to BH but purchase payments can only be made if supported by a fully authorised Purchase Order)
Direct Debits	All instructions	Two bank signatories, one of which <u>must</u> be the CFO
Standing Orders	Up to £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the SA, supported by an approved* budget plan

	Over £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the CFO
--	-------------------	---

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance, Risk & Audit Committee

Assets, Disposals & Write-Offs	Value	Delegated Authority
Fixed Asset Register	Over £1,500	The FP must identify all assets to be capitalised and <u>must</u> ensure these are included on the Academy's Fixed Asset Register (maintained by the Vine Trust Compliance Manager)
Disposal of assets approval	Up to £1,000	SA
	Over £1,000	CFO
	Over £45,000	The Board
Write-Off of bad debts approval (approval from the ESFA is required for single transactions exceeding £45,000 and cumulative transactions exceeding £250,000 in one year)	Up to £500	SA
	£501 to £45,000	CFO
	Over £45,000	The Board

Petty Cash**	Value	Delegated Authority
Imprest Level	£Nil	Historical facilities, in any event not exceeding £200, must be withdrawn within 2 months of conversion

** Petty cash must be phased out of Academy schools within 2 months of conversion

Contractual Agreements	Value	Delegated Authority
Contracts of less than 12 months and are included in an Academy's approved* budget plan	Up to £20,000	SA
Contracts longer than 12 months and/or not included in Academy's approved* budget plan	All values	CFO

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance, Risk & Audit Committee

Capital Projects	Value	Delegated Authority
	£2,000 to £50,000	Diocesan Schools' Officer

Capital Spending (includes DFC and other Capital Grant projects)	Over £50,000	The Vine Trust Board in conjunction with the Diocesan Board of Education
--	--------------	--

16.1.1e. Multi Academy Trust – Central Operations

Ordering Goods & Services	Value	Delegated Authority
Requisitions and Purchase Orders (within approved budget)	Up to £50,000	TFM/SFCM
	£50,001 to Find a Tender	TFM/SFCM and CFO
	Over Find a Tender	CFO/CEO
Authorisation of invoices	Up to £50,000	TFM/SFCM
	Over £50,000	CFO/CEO
Quotations and tendering	Up to £5,000	One quote
	£5,001 to £10,000	Two quotes
	£10,001 to £50,000	Three quotes
	£50,001 to Find a Tender limit	Formal tender process, including a minimum of three suitably qualified suppliers requiring CFO/CEO approval
	Over Find a Tender limit	FIND A TENDER advertising required and Finance, Risk & Audit Committee approval
Authority to accept other than lowest quote		Next person on the procurement chain, supported by a documented explanation prepared by TFM/CFO

Payments	Value	Delegated Authority
Payment by BACS/cheque/transfers (individual supplier total)	Up to £25,000	Any two bank signatories
	Over £25,000	Any two bank signatories, one TA must have appropriate level of discretion
Payment by BACS/cheque/transfer (multiple supplier total)	Up to £25,000	Any two bank signatories
	Over £25,000	Two bank signatories, one TA must have appropriate level of discretion.
Cheque	Up to £10,000	Any two bank signatories
	Over £10,000	Two bank signatories, one of which must be the CFO
Purchase Card	Limited to £2,000	Trust Approver (purchase cards may be issued to budget holders but purchase payments can only be made if supported by a fully authorised Purchase Order)
Direct Debits	All instructions	Two bank signatories, one of which must be the CFO
Standing Orders	Up to £10,000 p.a.	Two bank signatories, one of which must be the TFM, supported by an approved* budget plan
	Over £10,000 p.a.	Two bank signatories, one of which must be the CFO

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance, Risk & Audit Committee

Assets, Disposals & Write-Offs	Value	Delegated Authority
Fixed Asset Register	Over £1,500	The TFM must identify all assets to be capitalised and <u>must</u> ensure these are included on the Academy's Fixed Asset Register (maintained by the Vine Trust Compliance Manager)
Disposal of assets approval	Up to £1,000	TFM
	Over £1,000	CFO
Write-Off of bad debts approval (approval from the ESFA is required for single transactions exceeding £45,000 and cumulative transactions exceeding £250,000 in one year)	Up to £500	TFM
	£501 to £45,000	CFO
	Over £45,000	The Board

Petty Cash**	Value	Delegated Authority
Imprest Level	£Nil	Not applicable

** Petty cash must be phased out of Academy schools within 2 months of conversion

Contractual Agreements	Value	Delegated Authority
Contracts of less than 12 months and are included in an Academy's approved* budget plan	Up to £20,000	TFM/SFCM
Contracts longer than 12 months and/or not included in Academy's approved* budget plan	All values	CFO/CEO

* An approved budget plan is one that has been formally authorised by the The Board, CFO or Vine Trust Finance, Risk & Audit Committee

Capital Projects	Value	Delegated Authority
Capital Spending (includes SCA, DFC and other Capital Grant projects)	£2,000 to £50,000	Diocesan Schools' Officer
	Over £50,000	The Board in conjunction with the Diocesan Board of Education

Trust Approver (TA) – Secondary Authoriser	Purchases	Payments	Nature of Delegation
SFP, TCPM**	N/A	Up to £25,000	Approval of single supplier payment
	N/A	Up to £50,000	Approval of multiple supplier payments
TFM	Up to £50,000	Up to £100,000	Approval of supplier payments
CFO	Up to Find a Tender limit	Up to £250,000*	
CFO	Up to Find a Tender limit	Up to £500,000	
Finance, Risk & Audit Committee	Over Find a Tender limit	Over £500,000	

*Approval of payroll related transactions are unlimited **Trust Compliance and Processing Manager

Intra-company Transfers	Value	Nature of Delegation
TFM/TCPM**	Up to £25,000	Two signatories, subject to SA/TFM authorisation
TFM	Up to £100,000	
CFO	Unlimited	
CFO	Unlimited	

Over Budget Approval	Value	Nature of Delegation
TFM/SFCM	Up to £5,000	Each instance no greater than 10% of local SA level up to a total of 20% local SA level per annum. Within framework determined by CFO
CFO	Up to £50,000	
CFO	Up to Find a Tender limit	
Finance, Risk & Audit Committee	Over Find a Tender limit	

The Diocese of Chelmsford Vine Schools Trust	Date :
Name : _____ Location ID : _____	
Bank Account details for reimbursement by BACS :	
Account Number : _ _ _ _ _ Sort Code : _ _ - _ _ - _ _	

All claims must be submitted within three months of the date the expense was incurred.

Mileage

Vehicle Details: Reg No _____ Engine Size: _____ cc _____ Petrol/Diesel (delete as necessary)						
Date	From/To/Reason for journey	Mileage			Amount	Account/Nominal Codes
		Total miles	Home to work miles	Miles to be claimed		
Total						

No reimbursement for mileage will be made without a valid VAT petrol/diesel receipt.

Expenses

Date	Details of expenditure and reason for claim	Amount	Acc./Nom detail
Total			

Reimbursement of expenses incurred on behalf of the Academy will only be made against a valid receipt.

Total of this Claim	
----------------------------	--

Signature & Date of Claimant

Signature & Date of Authoriser

For internal use only:

Appendix 16.3

(Local Processing Only)

Internal Order Form

Supplier Name (if known):		Requesters Name:			
		Requesters Signature:			
		Budget Holders Signature:			
		Date:			
Supplier Address (if known):		School Approver Signature:			
		Date:			
E-mail address:		The school approver should strike through unused order lines when authorising order request			
Tel. No.:		Date of Request			
Fax. No.:		Date of input onto PSF:			
Catalogue No/ISBN No/Part No	Description	Unit Cost	Quantity	Nominal Code and Account	TOTAL (VAT)
TOTAL					£

Daily Income Collection Record

Date