



COLLABORATIVE LEARNING TRUST

Working Together to Secure Success

Central Funding and Appeals Policy

Created By:	Director of Business and Finance
Approved By:	The Board of Trustees
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Purpose of the Policy

The Academies Financial Handbook 2020 (Education & Skills Funding Agency) states in section 5.2.9 that a multi-academy trust has freedom to amalgamate a proportion of general annual grant (GAG) for its academies to form one central fund. This fund can then be used to meet the normal running costs at any of its constituent academies within the trust.

The collection of a percentage of individual academies' GAG funding for a MAT's central services fund is sometimes referred to as a 'top-slice'.

For the financial year 2020/21, Trustees at Collaborative Learning trust have agreed to retain 4% of its constituent academies funding. This % top-slice is subject to an annual review by Trustees, with the next review date set for April 2021.

Where the MAT has to consider providing additional capacity for the governance of an individual school that wants to join the MAT, the board will consider what payment should be made to provide this additional Governance capacity. Depending on the Due Diligence report findings for the school in question, finance for this additional Governance could be secured through an additional grant as agreed with the Regional Schools Commissioner, the Diocese (if applicable), or from the individual school's own budget.

There is an appeals mechanism which is described within this policy document for academies who may feel that they are being treated unfairly by the Trust retention of GAG funding.

Collaborative Learning Trust will give consideration to the funding needs and allocations of each constituent academy.

A statement will be issued to constituent academies no later than 31 August for the next academy year detailing the funds to be retained. The constituent academies will have a period of 10 working days to appeal.

The top-slice will be used to fund the following expenditure on behalf of the academies within Collaborative Learning Trust:

- External Audit Fees
- Internal Audit Fees
- Accountancy Fees (relating to the consolidation of accounts, monthly and annual)
- ESFA Financial Returns
- Bank Charges
- Annual actuary re-valuation fees (Initial actuary valuation to be funded from academy Start-Up grant)
- Sage Accounting Software and Orovia Budgeting Software (set up costs to be funded from academy start-up grant)
- Access to specialist HR support and Payroll services
- Estates Management SLA, covering Health & Safety, statutory compliance reviews and strategic site development support
- School improvement support
- Central ICT support
- A contribution to Central Service team salaries including: CEO, Finance Director, HR Director, Director of Estates and other administrators

Academies joining the trust will be expected to use Collaborative Learning Trust's preferred suppliers for Banking Services (Lloyds Bank) and Insurance Services (Risk Protection Arrangement).

The Trust reserves the right to review, consult on and amend this policy on an annual basis in preparation for each new financial year. Where appropriate, the top-slice may be adjusted to reflect the costs relating to that financial year, the increasing of services provided directly by the Trust or cost savings generated through streamlining of back-office functions.

GAG pooling

GAG pooling can help to alleviate financial pressures within individual academies during periods of fluctuating income and expenditure. However, Collaborative Learning Trust will not retain any additional amount in addition to the top-slice.

Appeals

The Academies Financial Handbook states:

"If a constituent academy's principal feels that the academy has been unfairly treated, they should first appeal to the trust. If the principal's grievance is not resolved, they can then appeal to the Secretary of State, via ESFA, whose decision is final and who can dis-apply the provisions for pooling" (Section 5.3)

The Collaborative Learning Trust appeals process is:

- The constituent academies have 10 working days from the issuing of a Collaborative Learning Trust settlement statement to the academy to appeal
- Appeals should be made in writing directly to the Chief Executive Officer (CEO)
- The CEO will consider the appeal and notify the academy of their decision within 10 working days of receipt of the written appeal