



**COLLABORATIVE
LEARNING TRUST**

Working Together to Secure Success

Central Funding and Appeals Policy

Approved by Audit, Risk and Finance Committee: October 2022

Date for next review: October 2023

Purpose of the Policy

The Academy Trust Handbook 2022 states in section 5.30 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. In deciding the process and amount collected, the Academy Trust Handbook states that Trusts must:

- Consider the funding needs and allocations of each constituent academy.
- Have an appeals mechanism in place

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'.

Multi Academy Trust Central Services Contribution

For the financial year 2022/23, Trustees at Collaborative Learning Trust have agreed to retain 5% of its constituent academies funding to contribute to the management and running costs of the Central Services function. This % top-slice is subject to an annual review and agreement by the Board of Trustees, with the next review date set for April 2023.

Where the MAT has to consider providing additional capacity for the governance of an individual school within or wishing to join the MAT, the board will consider the cost of 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.

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. This list includes but is not limited to:

- 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 Budgeting Software (set up costs to be funded from academy start-up grant)
- Other specialist software, as appropriate
- Access to specialist HR support and Payroll services
- Estates Management support, and strategic site development support
- School improvement support
- Central ICT strategic support

- A contribution to Central Service team salaries including: CEO, Education Improvement, Finance Director, HR Director, Director of Estates, Operations, Governance 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, the Collaborative Learning Trust will not retain any additional amount in addition to the top-slice.

Appeals

The Academy Trust Handbook states:

"If a constituent academy's principal feels the academy has been unfairly treated, they should appeal to the trust. If the grievance is not resolved, they can appeal to the Secretary of State, via ESFA. (Section 5.31)

Academies have 10 working days from the date of issuing the contribution statement to appeal.

Appeals should be made in writing to the CEO who will consider the appeal and notify the Academy of their decision within 10 working days of receipt of the written appeal.

If the academy is dissatisfied with the decision from the CEO, they are entitled to appeal against this to the Board of Trustees. A minimum of three trustees will investigate the original appeal from the Academy and come to the decision and advise the academy accordingly.

If the Academy is still dissatisfied with the outcome, they are entitled to appeal further to the Education and Skills Funding Authority. This is stage 3 and the final stage in the appeals process.