

Central Funds Policy 2018

This Policy applies to all academies within the Link Academy Trust.

The Academies Financial Handbook, 2018 (Education and Skills Funding Agency) states in section 3.7.2 that a Multi Academy Trust (MAT) can collect a proportion of general annual grant (GAG) funding from all its academies to form one central fund. This fund can then be used to meet the costs of running the Trust. The collection of a percentage of an individual academy's GAG funding for a MAT's central fund is sometimes referred to as '*top-slicing*'.

The Link Academy Trust (LAT) will retain a percentage of an individual academy's GAG funding excluding:

- Pupil Premium Funding
- PE Sports Grants
- Nursery Funding
- Universal Free School Meals Funding
- Other non-GAG Government Funding
- Top-Up Funding for special educational needs (SEN) or Additional Educational Needs funding (AEN) in mainstream academies
- Private Funding Initiative
- Other income generated by individual academies

The LAT will give consideration to the funding needs and allocations of each academy. 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 LAT top-slice.

A statement will be issued to individual academies no later than 31 August for the next academy year detailing the funds to be retained by the LAT. The 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 The Link Academy Trust (LAT):

- External Audit Fees
- Internal Audit Fees
- Legal & HR Fees
- Accountancy Fees (relating to consolidation of accounts – monthly and annual)
- ESFA Returns
- Bank Charges
- Annual actuary re-valuation fees (Initial actuary valuation to be funded from academy Start-Up grant)
- ESFA Risk Protection Arrangement
- Minibus Insurance
- Overseas School Trip Insurance

- SIMS Licence Costs (not support costs)
- Finance & Budgeting Licence Costs (not support costs)
- School Improvement Support
- LAT Salaries including CEO, Business Manager and Clerk.

The LAT reserves the right to amend this policy on an annual basis at the beginning of each 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 LAT or cost savings generated through streamlining of back-office functions.

GAG Pooling

The LAT will give consideration to the funding needs and allocations of each individual academy. 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 LAT GAG Pooling. Any funds remaining at the end of the financial year are retained and carried forward to the new financial year.

Appeals

The Academies Financial Handbook states:

“If a constituent academy’s principal feels that the academy has been unfairly treated, they should appeal to the trust. If a constituent academy’s 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 3.7.3).

The LAT appeals process is:

- The constituent academies have 10 working days from the issuing of a settlement statement from the LAT to the academy to appeal.
- Appeals should be made in writing in the first instance directly to the Chief Executive Officer (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 Directors for the Trust. A group of three directors, minimum, from the Board will investigate the original appeal from the academy and come to a decision and advise the academy accordingly.
- If upon this decision from the Board, the academy is still dissatisfied with the outcome, they are entitled to appeal further to the Education and Skills Funding Authority. This is stage three and the final stage in the appeals process.

This Policy is reviewed by the Finance and General Purposes Committee on a 2 yearly cycle and must be approved by the Board of Directors

Approved by the Board of Directors: 8 October 2018