

Central Funds Policy



St Francis of Assisi
CATHOLIC ACADEMY TRUST

St. Francis of Assisi Catholic Academy Trust

Signed off by: Trust Board

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Contents

1 Overview

2 Costs to be covered via the Central Fund

3 Appeals process

4 Year end process

5 Policy review process

1 Overview

The Academies Trust Handbook states that Catholic Academy Trusts (CATs) are able to collect a proportion of the General Annual Grant (GAG) funding from all its academies to form one Central Fund. This Central Fund can then be used to meet the costs of running the Trust and Trust specific costs can be paid via this fund. The collection of a percentage of individual academies' GAG funding for a Trust's Central Fund is sometimes referred to as a 'central contribution' or 'membership fee'.

St Francis of Assisi Catholic Academy Trust will consider the funding needs and allocations of each constituent 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 Trust's Central Fund policy.

A statement will be issued to constituent academies no later than 30 September for the current academic year detailing the funds to be retained by the Trust. The constituent academies will have a period of 10 working days to appeal.

2 Costs to be covered via the Central Fund

The Central Fund will be used to fund the expenditure on behalf of the academies within the Trust. This includes the following expenditure:

- The costs of employing a Chief Executive Officer;
- The costs of employing a Chief Financial Officer;
- Trust Company Secretary costs;
- Trust staff costs;
- Trust legal costs;
- Statutory Audit costs
 - External Audit costs;
 - HMRC tax services;
 - Internal Audit costs;
- Companies House fee;
- ICO fee;
- Other Trust costs.

The Trust reserves the right to amend this policy on an annual basis at the beginning of each financial year. Where appropriate the Central Fund contribution 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.

The Central Fund contribution is 5.85% of each Academies General Annual Grant allocation (GAG). In addition to GAG allocation funding, the central fund contribution will also be payable at 5.85% on any additional grants from the DfE that are linked to pay awards and additional sector costs. This also applies to retrospective new Government grants relating to pay awards that have been announced since conversion i.e. TPAG, TPECG, CSBG, Additional NI Grant etc. No Academy targeted funding

will be added into the Central Fund such as Pupil Premium and SEN funding as this funding is dependent on the makeup and background of the students within each Academy.

3 Appeals process

The Academies Trust Handbook states: 5.30 - The Trust must consider the funding needs and allocations of each constituent academy and must have an appeals mechanism. 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 the DfE. Where the DfE receives an appeal, it will review the process that the trust has followed, including whether the trust has considered the funding needs of the constituent academy, and whether the Trust's internal appeals process has been applied. DfE will provide the constituent academy and the trust with the opportunity to provide any evidence they feel is relevant to the case. DfE's decision will be final.

The Trust's appeals process is:

Stage one

The constituent academies have 10 working days from the issuing of a settlement statement from the Trust 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.

Stage Two

If the Constituent Academy raising the appeal is not satisfied with the decision of the CEO they have 10 days to escalate their appeal to the Trust Board. Appeals should be made in writing directly to the Chair of the Trust Board.

The Directors will consider the appeal at the next Trust Board meeting and will notify the Academy within 10 days of the final decision being made on the appeal by the Trust Board.

4 Year end process

At the end of each financial year the central fund will either have an underspend or an overspend and will either be in a surplus or deficit position. If an underspend occurs at year end the central pot fund will roll forward into the next financial year and the central funds will not be redistributed to each Academy in the Trust. Any overspends will also be carried forward however the central fund contribution will be revised annually and must take any overspend into account when the central contribution rate is set.

5 Policy review process

This Policy will be reviewed by the Trust Board on an annual basis and must be signed by the Chair of the Trust Board and minuted.