



## FINANCIAL MANAGEMENT POLICY

### CENTRAL POLICY - REQUIRED ON THE WEBSITE

Version and Date	Action/Notes
1.0 May 2014	Policy approved by Dean Trust Board. Author: Nick David-Chief Finance Officer
2.0 March 2016	Edits and updates made by Nick David-Chief Finance Officer
3.0 August 2017	Reviewed and updated by the CFO
4.0 September 2018	Reviewed and updated by the CFO for Audit review and Trust Board approval
5.0 September 2019	Reviewed and updated by the CFO for Audit Review and Trust Board approval

Policy Reviewed:	September 2019
Review Frequency:	Every 3 years
Next Review:	September 2022
<b>Signature of Chief Executive Officer:</b>	<b>Signature of Chair of Trustees:</b>
 Tarun Kapur 10/30/2019 13:58 GMT Standard	 Damian McGann 10/31/2019 08:59 GMT Stand

**Overall Purpose:** Seek to ensure a high standard in the management of public finances.

**Key Policies designed to achieve this** are to maintain and seek continuous improvement in Financial Planning.

### Policy

- Overall financial planning and budget strategy.
- Budget strategy related to the strategic and annual School Improvement Plans.
- Ensure that the long term level of revenue commitments does not exceed long term funding likely to be available including reasonably expected levels of future grant settlement.
- Maintain three year budget projections and medium term financial planning, based where necessary on alternative scenarios to reflect uncertainty of spending and resources assumptions in order to set the likely context for making final resource allocation decisions on an annual basis,
- Minimise levels of non-earmarked reserves, subject to risk assessment, in order to maximise use of available funds on service provision.
- Review the rationale and adequacy of earmarked reserves on at least an annual basis.
- In order to allow budgets to operate within firm cash limits, allocate provision for inflation at the start of the financial year and require excess inflation to be absorbed.
- Budgets expected to contain spending within the approved cash limit, with no supplementary allocations being available other than in exceptional circumstances unless a specific contingency provision made within the budget.
- Adopt a rigorous approach to integrated curriculum and financial planning together with effective resource management
- Encourage applications for specific grants/partnership funding designed to maximise the resources available to the partnership.
- Review the levels of fees and charges at least annually and set budget limits on the assumption that the level of charges increased in line with assumed inflation on gross expenditure.
- Seek best value in spending, bearing in mind that consideration of quality, risk, sustainability, environmental impact, local economic development and equalities may all be relevant in additional price.



### **Effective management of budgets**

- Devolution of budgets to leadership teams, departments and functions combined with appropriate financial training, provision of appropriate systems to generate management information and a framework of sound internal controls including Financial Regulations and Procedures.
- Rigorous annual budgeting and budget monitoring processes.
- Maintain integrated accounting and budgeting systems and set a consistent overall financial framework across the Trust.

### **Ensuring good practice and probity**

- Recognise the statutory and corporate finance roles of the Education & Skills Funding Agency (ESFA) in ensuring lawful and financially prudent decision making.
- Provide annual external audit assessment for the board of Trustees of all statutory financial statements of Dean Trust Schools.
- Develop IT systems designed to enhance the provision of financial management information to users.
- Maintain and work with the ESFA to apply Financial Regulations and associated financial procedures in support of good practice in financial administration and corporate governance.
- Comply with the CIPFA Code of Practice for treasury management.
- Comply with accounting and audit standards contained in the relevant Academies Financial Handbook, Codes of Practice and CIPFA guidance.
- Comply with reporting and review requirements for governance, with an emphasis on the importance of addressing skills gaps
- The Board must develop a robust evidence-based process for ensuring their decisions on levels of executive pay reflect roles and responsibilities of individuals