



The Collegiate Trust  
Exceptional Education for All

## **CENTRAL FUNDS AND RECHARGES POLICY**

<b>Lead</b>	CFO
<b>Consultation</b>	N/A
<b>Approved by TCT</b>	October 2021
<b>Next Review</b>	Autumn 2022

## **Central Funds Policy**

This policy relates to all academies within The Collegiate Trust.

Throughout the Central Funds Policy, a necessary feature stated and implemented is the segregation of duties between the CEO and CFO. The segregation of these two postholders must be adhered to and maintained in all functions and processes.

The Academies Trust Handbook states that a multi-academy trust can collect a proportion of General Annual Grant (GAG) funding from all its schools to form one central fund. This fund can then be used to meet the costs of running the trust. The Collegiate Trust collects this funding in the form of a partnership fee, which is included in each school's annual budget.

For the financial year 2021/22, The Collegiate Trust will continue to charge a fee of 4.4% of all its constituent schools' GAG funding.

The following types of funding (where received) are excluded from the calculation of the partnership fee:

- Pupil Premium Funding
- Catch Up Funding
- PE Sports Grant
- Nursery Funding
- Children's Centre Funding
- Other non-GAG Government Funding
- SEN Funding
- Other income generated by individual academies

The Collegiate Trust will give consideration to the funding needs and allocations of each constituent school during the budget planning process. For the financial year 2021/22, the Trust will continue to charge a fee of 4.4% from all schools.

The partnership fee will be used to fund the following expenditure on behalf of the schools within the Trust:

- School Improvement Support
- HR & Payroll Support
- Finance Support
- External Audit Fees
- Internal Audit Fees
- Central Staff Salaries
- Group Purchasing Arrangements/Contract Negotiations

The Trust reserves the right to amend this policy on an annual basis at the beginning of each financial year. Where appropriate, the partnership fee 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 Academies Trust Handbook states that the Trust must have an appeals mechanism in the event that a constituent school's Principal feels the school has been unfairly treated. Appeals should be made in writing directly to the Chief Executive Officer within 10 days of the approval of the budget. The Board will consider the appeal and notify the school of their decision in writing within 10 days of receipt of the written appeal.

## **Recharge Policy**

A recharge is defined as the cost charged to an individual school for specific central services provided by the The Collegiate Trust. Recharges move expenses between individual schools without increasing the total cost for the Trust.

Costs to be recharged must be:

- Reasonable, in both type and amount
- Necessary to provide services to the schools
- Adhere to the procedures set out in the Trust's Finance Policy
- Adhere to "Value for Money" principles
- Of clear benefit to the individual schools
- Recorded in sufficient detail to enable schools to easily follow the rationale and calculation for each cost.

Various methods of apportionment may be applied to the recharge or elements thereof, in any one year. The Chief Finance Officer will propose appropriate methods for apportionment with annual approval from the Chief Operating Officer and Chief Executive Officer.