

# The Cardinal Newman Catholic Educational Trust

*'Seeking God in all things together.'*  
Cardinal Newman

## Central Funding & Appeals Policy 2022/23



### Ratification

Role	Name	Signature	Date
Chair of the Board	Anne Rolls	Anne Rolls	10.3.22
CEO	Daniel Doyle		10.3.22

### Details of Policy Updates

Date	Details

# Central Funding & Appeals Policy

## 1. Introduction

The Newman Trust operates a central strategic leadership team and service on behalf of, and to support, constituent schools. This team works alongside the local academies and the Board of Directors to ensure that our Trust continues to develop and improve whilst ensuring compliance with its master and supplementary funding agreements.

The Central Trust team is also accountable for ensuring compliance with the Academies Handbook, tax regulations, HR law, premises, health, and safety statutory compliance. To fulfil statutory duties and to continue to improve, the Trust must ensure constituent academies make a fair combined contribution for the services received (and to ensure the central team can function effectively and efficiently). In addition, the Trust identifies investment priorities that accelerate the collective development and improvement of constituent schools and prioritises capital plans to be realised in a fair, unbiased way to form a carefully considered programme of works over multi-year periods.

The Academies Financial Handbook makes clear that a Multi-Academy Trust has the freedom to amalgamate a proportion of general annual grant (GAG) funding from all its academies to form one central fund to be used to meet the normal running costs at any of its constituent academies within the trust. Whilst this is often referred to as 'top-slicing', the Newman Catholic Trust calls this our Newman MAT Contribution.

The Department for Education currently recommend a top slice of between 4 and 10%. For the academic years 2021/2022, the Newman Catholic Trust will retain only 2.75% of constituent academies GAG funding excluding:

- Pupil Premium Funding
- National Tutoring or Catch Up funding
- Any academy specific sports grants (Sports Premium)
- Universal Free School Meals Funding
- Other non-GAG Government Funding
- Top-Up Funding for special educational needs (SEN)

The Newman Trust schools make a 2.75% contribution of funding towards the operating of functions and services delivered (or commissioned) by Trust central teams on behalf of constituent schools. This is the primary source of funding for such services, however, where required for specific agreed services, secondary sources of funding are realised from external organisations and/or through agreed charges to each school's delegated budget.

## 2. Policy Statement:

As the Newman Catholic Trust is a relatively new MAT, the Board seek to ensure that transparency, prudence and fairness underpin its planning in welcoming new partner schools. The Trust will give consideration to the funding needs and allocations of each constituent school. There is an appeals mechanism which is described within this policy document for schools who may feel that they are being treated unfairly by MAT Contribution.

A statement will be issued to constituent academies no later than 31<sup>st</sup> of December detailing the funds to be retained by the Trust following the submission of its first annual accounts. The constituent schools will have a period of 10 working days to appeal. The MAT Contribution will be used to fund the following expenditure on behalf of the schools within the Trust:

- Chief Executive Officer.
- Chief Finance and Operating Officer.
- HR Services and GDPR.

- Internal and External Audit costs.
- HR and Legal Services costs.
- Health and Safety costs.
- Education and Skills Funding Agency (ESFA) returns costs.
- Bank charges.
- Facilities and Estates Management, including Statutory Testing and Compliance.
- Annual actuary re-valuation fees (initial actuary valuation to be funded from Academy Conversion Grant).
- In-house CPD for staff.
- Board and Board Committee Clerking (excluding local governing committees)
- Payroll administration and pension returns.
- External School Improvement costs.
- School to School support costs.
- Other centralised contracts managed on behalf of academies (e.g. software licenses and subscriptions e.g. SIMS, IRIS Financial Planning and PSF etc.)

Outside of the Central Support Fund, the trust will work collaboratively and use its purchasing power on those high-value purchases/services to ensure that we provide best value for taxpayers and ensure we target as much money to front-line children. Schools joining the trust will be expected to fund the following from their conversion grant or from any Revenue or Capital reserves held to allow them to be fully integrated into the Trust Management systems:

- Implementation of Financial Management System
- Any legal costs related to the conversion
- including maintenance and upgrades for the above on an on-going basis.

The Trust reserves the right to amend this policy on an annual basis at the beginning of each financial year. Where appropriate the MAT Contribution may be adjusted to reflect the costs relating to that financial year, the increasing services provided directly by the Trust or cost savings generated through streamlining of back-office functions. The MAT Contribution will be kept under regular review by the MAT Central Team. As the Trust's work develops, recommendations from the Central Team will be considered by the Audit Committee.

### **GAG Pooling**

GAG pooling can help to alleviate financial pressures within individual schools during periods of fluctuating income and expenditure. In the immediate future, however, the Trust will not retain any additional amount in addition to MAT Contribution. The Trust reserves the right to review the relative benefits of introducing a pooling policy on an annual basis at the beginning of each financial year. The Principals' Committee will be fully consulted before a proposal is put to the Board. If implemented, where appropriate pooling may be adjusted to reflect the costs incurred in the previous financial year.

### **Appeals**

The Academies' Financial Handbook states:

"If a constituent academy's principal feels that the academy has been unfairly treated, they should first appeal to the trust. If the academy's principal grievance is not resolved, they can then appeal to the Secretary of State, via the ESFA, whose decision is final and who can disapply the provisions for pooling" (Section 5.30)

The Trust appeals process is:

- The constituent schools have 10 working days from the issuing of a Trust settlement statement from the Trust Chief Finance Officer to the school to appeal;
- Appeals should be made in writing directly to the Chief Executive officer;
- The Chief Executive Officer will consider the appeal and notify the school of his decision within 10 working days of receipt of the written appeal

## **3. Policy Status and Review**

The Board of Trustees has agreed to this Policy and, as such, it applies to all Schools within the Trust. Please note that should any further national guidance be issued by external agencies that are relevant to this policy, it will be updated accordingly prior to the review date shown below and re-circulated.