



Department
for Education

A guide to new mainstream free school revenue funding 2018 to 2019

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Introduction

1. This guide sets out how the revenue funding for new free schools will be calculated and paid based upon funding rates for the 2018 to 2019 academic year. It is primarily aimed at free schools opening in the 2018 to 2019 academic year. However, it will also be a useful guide for schools opening in future years, and those applying to open a free school as part of wave 13; although it is important to note that funding may change annually.

2. This guide also sets out the importance of good financial health and the financial governance and accountability requirements for trusts. A pre-opening financial management and governance self-assessment is available at Annex A, and is a helpful tool for trusts to assess a free school's financial governance and compliance prior to opening.

3. The government has introduced a national funding formula (NFF) for 5 to 16 provision, which came into force in April 2018. The NFF means that for the first time, school funding will be distributed according to a formula based on the individual needs and characteristics of every school in the country. This will direct resources where they are needed most, and provide transparency and predictability for schools.

4. The NFF includes a funding floor. The funding floor ensures that every school will attract at least 0.5% more funding through the formula in 2018 to 2019, and 1% more in 2019 to 2020, compared to the funding that they would have received in 2017 to 2018 under the existing local funding arrangements. The government will ensure that any new free schools that are not yet open but are in the pipeline, or will enter the pipeline during 2018 to 2019, are funded consistently with other schools. For these schools, we will create a theoretical 2017 to 2018 baseline for new schools opening after September 2017, which we will calculate the funding floor against. We will review this position in the context of any future changes to the NFF.

5. In 2018 to 2019 and 2019 to 2020 local authorities will remain responsible for setting individual schools' budgets through a local funding formula. Free schools are encouraged to speak with their local authority about their plans for implementation of the NFF.

6. The following funding will be available in 2018 to 2019 to mainstream free schools upon opening:

- local pre-16 formula funding
- national 16 to 19 formula funding
- pupil premium
- business rates grant
- high-needs funding
- universal infant free school meals
- PE/sport premium

- post-opening grant (Free schools set up through the local authority presumption route are not eligible for this grant)

Each is described in more detail later in this guide.

7. This guide does not cover:

- funding for special free schools, alternative provision free schools, 16-19 free schools, or university technical colleges (UTCs), for which separate guides are available
- free schools open before September 2018 (who will be receiving updates on future funding arrangements from the Education and Skills Funding Agency (ESFA))
- any initial funding which may be provided by the department to help free school proposers to develop their projects before the opening of the school (e.g. project development grant). Information is available on gov.uk
- capital funding, which will depend on the circumstances of individual free schools (and within this heading is included in any ongoing annual costs of leasing premises)
- Value Added Tax (VAT) – open academies and free schools do not receive a separate grant to cover these costs, but will be able to claim back, when open, any VAT paid in respect of their non-commercial activity, directly from Her Majesty’s Revenue and Customs (HMRC) via the VAT scheme for academies.

Financial health and efficiency

8. Efficient schools make the best use of resources, ensuring that every pound is used to have maximum impact for their pupils and the school. Schools that do this well tend to:

- base their financial planning on delivering educational outcomes, rather than as a separate consideration
- have a strategic approach towards financial planning for the longer term (3 to 5 years)
- deploy their staff effectively and efficiently, linked to their long-term plan
- have robust challenge from financially skilled governors and head teachers
- have skilled staff responsible for managing finances
- have transparent financial systems and processes that encourage constructive challenge within and between schools

9. The [Schools financial efficiency: top 10 planning checks for governors](#) guidance contains information to help schools manage their resources efficiently to deliver good educational outcomes. In particular, trusts will want to use the key metrics contained within the planning checks to consider the affordability and value of their proposed curriculum and staffing plans.

Financial planning

10. Free schools should plan their expenditure using the most up to date [financial template](#) to ensure that it is affordable within the funding provided. This should be an on-going process with financial plans updated as plans for the school are more fully developed, staff are appointed, site plans are developed and other costs are more firmly established. Groups should also refresh financial plans as further details of funding arrangements are confirmed, and review them regularly to ensure they reflect the likely number of pupils based on the number of applications. In doing this, they will want to make sure they are aware of funding arrangements for each new academic year.

11. The department will need assurance that free schools are on-course to be financially viable on opening. In order to provide a sustainable, broad and balanced curriculum, there is a presumption that primary provision should have a minimum of 2 forms of entry of 30 pupils (total of 60), and secondary provision (years 7 to 11) have a minimum of 4 forms of entry of 30 pupils (total of 120). Financial plans are not expected to be based on fewer pupil numbers unless otherwise agreed with the department.

12. For local authority presumption free schools, the local authority and trust are required to determine the minimum viable number of the school; i.e. the minimum number of pupils required in order to be financially viable. The department expects local authorities to provide sustainable underwriting arrangements for presumption schools in support of the pupil forecasts agreed between the trust and the local authority.

13. If applying to open a free school as part of wave 13, we ask groups that have not previously opened a free school to provide a financial plan showing income and expenditure as the school grows to full capacity. All applications, including those with an innovative or new approach, must demonstrate that the school will be financially viable. You can find the full criteria against which we will judge financial viability in the How to Apply Guide.

14. Free schools in pre-opening will be asked to share their current financial plans with the department before entering into a funding agreement. This should include a version modelled around the minimum number of pupils required in order to deliver an educationally and financially viable offer. The minimum viable number should not be lower than the numbers stated in the paragraphs above.

15. Plans will need to be resubmitted ahead of the school's readiness to opening meeting (ROM) and should be based on the latest available number of accepted offers.

16. Please note that at post 16, an adjustment of -30% should be applied to take account of historical drop out between accepted offers and start date, due to students being able to hold multiple offers. It should also be noted that not all 16 to 19 students progress from Year 12 to Year 13; this drop off is typically around 15%. The details included in this plan will be used in order for draft funding statements to be issued.

17. Projects should be ready to submit their plans with evidence to underpin their pupil number assumptions which must be realistic and achievable. The department will want to see that as far as possible the plans reflect the school's income based on the best estimates of available grants, the school's outgoings and the likely number of pupils. Plans should show that the school will not go into deficit at any point.

18. Plans should be based on the most up-to-date available estimates of grant funding. The [free schools financial template containing 2018 to 2019 funding rates](#) is available on GOV.UK, and will calculate indicative funding using the up-to-date funding rates. The template includes pre- and post-16 ready-reckoners which show the breakdown of funding based upon estimated pupil numbers and characteristics.

Annual revenue funding for free schools

19. Except where stated below, the funding for each free school will be calculated and paid by ESFA. Pre-16 and 16 to 19 funding will be paid monthly on the first working day of the month in equal instalments.

Local formula funding (pre-16)

20. Most of the annual revenue funding for pre-16 provision within mainstream free schools is based on the local funding formula applied to all schools in the relevant local authority, including maintained schools and academies. The local formula is a simple and transparent formula, agreed by a local schools forum (a body predominantly made up of representatives of local schools – which must include academy representation broadly proportionate to the number of pupils in academies). The formula can only incorporate the following elements (it need not incorporate them all, but those in bold are mandatory):

- **a basic local funding unit for each pupil aged 5 to 15 attending the school**
- **deprivation measured by rate of uptake of free school meals and/or income deprivation affecting children index (IDACI)**
- a minimum per pupil funding level
- looked-after children
- prior attainment
- pupils with English as an additional language
- pupil mobility (the number of pupils entering the school at non-standard entry points)
- a lump sum of up to £175,000
- split sites
- rates
- exceptional premises funding factors
- Private Finance Initiative contracts
- sparsity

- in Buckinghamshire, Essex, Hertfordshire, Kent and West Sussex only, an additional factor is allowed for schools on the London fringe.

Funding protection for local formula funding (pre-16)

21. The minimum funding guarantee (MFG) ensures that schools' funding is not reduced unexpectedly by a large amount as a result of any changes made to the local formula between years. This restricts schools to a maximum per pupil loss on most of their budget. Local authorities can choose to set the MFG at any value between -1.5% and +0.5% (they choose to set a positive MFG if they want to ensure that all schools gain). The lump sum, sparsity factor and other school led factors are outside of this calculation.

22. New free schools receive a similar level of protection against the per-pupil funding amount they would have attracted had they been open the previous year.

National 16 to 19 formula funding

23. A national funding formula is used to calculate an allocation of funding for 16 to 19 provision for each institution, each academic year.

24. The national 16 to 19 funding formula:

$$\begin{aligned}
 & \text{[Student numbers} \\
 & \quad \times \\
 & \text{National funding rate per student} \\
 & \quad \times \\
 & \text{Retention factor} \\
 & \quad \times \\
 & \text{Programme-cost weighting} \\
 & \quad + \\
 & \text{Disadvantage funding]} \\
 & \quad \times \\
 & \text{Area cost weighting}
 \end{aligned}$$

25. New free schools planning to offer 16 to 19 provision in their first two years of opening will be asked to submit a short business case in the spring before they open to provide evidence to support their assumptions about the characteristics to be reflected in the formula. This will inform the final funding level.

26. Normally the funding formula factors are based on historic data from the latest full year. For example, to calculate 2018 to 2019 allocations, data from each institution from the end of the 2016 to 2017 academic year is used. For new institutions, the first 2 years are based on national or local authority level averages. Where a business case has been submitted and approved by ESFA, the approved factor will be used instead of the average for the first 2 years. In either case, the allocation will revert to using actual historic data from year 3.

27. Students are categorised into funding bands based on the number of planned hours per students. Each funding band is assigned a national funding rate. The bands and funding rates per student for 2018 to 2019 are:

Band	Annual timetabled hours		National funding rate per student
5	540+ hours	16 and 17-year-olds Students aged 18 and over with high needs	£4,000
4a	450+ hours	Students aged 18 and over who are not high needs	£3,300
4b	450 to 539 hours	16 and 17-year-olds Students aged 18 and over with high needs	£3,300
3	360 to 449 hours		£2,700
2	280 to 359 hours		£2,133
1	Up to 279 hours		£4,000 multiplied by FTE

28. For new schools it will be assumed that all students are full-time and under 18, unless ESFA is informed otherwise. Students will therefore attract the national funding rate of £4,000 per student. It is important to note that all funding can be subject to change.

29. The retention factor will reduce funding if the student does not complete their programme of study for the academic year. For new schools the national average will be used (0.980 in 2018 to 2019).

30. The programme cost weighting recognises that some programmes are more costly to deliver than others. All academic and some vocational programmes are weighted at the base rate of 1. Other vocational programmes are weighted higher than 1, dependent on the sector subject area assigned to the programme's core aim. For new schools the national average will be used (1.016 in 2018 to 2019) unless a different factor can be justified and is approved by ESFA (via the business case exercise) due to the specific programmes of study being offered.

31. The disadvantage funding is made of two blocks:

- Block 1 recognises the costs associated with engaging, recruiting and retaining young people from disadvantaged backgrounds (based on the index of multiple deprivation (IMD) 2015). For new schools the local authority average will be used, unless a different uplift can be justified and is approved by ESFA (via the business case exercise)
- Block 2 provides additional funding to support students with additional needs including moderate learning difficulties and disabilities. Prior attainment is used to calculate block 2 funding. Each student without GCSE English or mathematics at grade 4 (or better) counts as one instance of block 2. Where a student does not have a grade 4 (or better) in both subjects, this counts as two instances. The institution receives £480 per instance of block 2. Where historic data is available, an instances per student rate is calculated and then applied to the student number for that allocation year to calculate total instances. For new schools the national average will be used (0.183 instances per student in 2018 to 2019) unless a different value can be justified and is approved by ESFA (via the business case exercise)

32. An area cost uplift will be applied to reflect the higher costs of learning in some areas of the country. This uplift applies to all elements of the formula.

33. Additional funding is allocated in respect of:

- high needs places: £6,000 for each place as identified by local authority commissioning plans and decisions
- student support (bursary) funding: for new schools it is assumed that 36% of students will be eligible for student support funding based on the national average. For 2018 to 2019 this is a standard rate of £298 per student

34. For further information, please refer to the [16 to 19 funding guidance](#) on GOV.UK.

Pupil number adjustment (PNA)

35. It is vital to produce robust and realistic estimates of pupil numbers to ensure that the school is funded accurately (without need for subsequent funding adjustments) and will be financially viable. Once open, if the October schools census shows the school has not admitted the predicted number of pupils, any excess funding will be clawed back in the following academic year. Where more pupils are recruited than have been funded for, ESFA will carry out an in-year reconciliation and pay any additional funding in February of the current academic year.

36. Where local authorities have already funded growth in pre-16 pupil numbers to meet basic need, ESFA will deduct the amount they have paid from any positive PNA to ensure that academies are only funded for the growth once.

Pupil premium

37. The pupil premium is additional funding for publicly funded schools in England to raise the attainment of disadvantaged pupils and close the gap between them and their peers. In 2018 to 2019, schools will receive the pupil premium for each pupil attending the school in years from reception to year 11 who is known to have been eligible for free school meals at some time in the last six years (£1,320 for primary and £935 for secondary).

38. Schools will also receive £2,300 for each pupil who has left local authority care because of either adoption, a special guardianship order, a child arrangements order or a residence order. If a pupil has registered as eligible for free school meals and has also left local authority care for one of these reasons, they will attract the £2,300 rate.

39. Children who have been in local authority care for 1 day or more also attract £2,300 of pupil premium funding. Funding for these pupils doesn't go to their school; it goes to the virtual school head in the local authority that looks after the child. Virtual school heads are responsible for managing pupil premium funding for looked-after children.

40. Pupil premium payments are made to academies and free schools in quarterly instalments. There is more information on the [pupil premium](#) on GOV.UK, including an explanation of the accountability requirements.

41. There is also a service premium of £300 to support children and young people with parents in the armed forces. More information about the [service premium](#) is available on gov.uk.

Education services grant

42. In 2015, the department announced the removal of the education services grant (ESG) general funding rate from 1 September 2017. Academies and free schools continued to receive an annual rate per pupil until August 2017.

43. Academies and free schools that opened before 1 September 2017 will be eligible for the protection arrangements, which will unwind over time. Free schools opening after 1 September 2017 onwards are not eligible for ESG funding or ESG protection.

Risk protection arrangement (RPA)

44. Risk Protection Arrangement (RPA) is an alternative to insurance where UK government funds cover losses that arise. Free schools are automatically opted in to the scheme unless they tell their lead contact that they want to opt out. ESFA will deduct £20 per pupil at source from the free school's general annual grant (GAG). Free schools do not have to enter the scheme and are free to make their own alternative insurance arrangements, however there will be no additional funding provided should extra costs be incurred. More information on [RPA](#) can be found on GOV.UK.

Business rates grant

45. Free schools pay business rates at the 80% discounted charitable rate. They will receive a grant to cover the actual costs paid. This needs to be claimed via the [online form](#) on GOV.UK.

Special educational needs (SEN)/alternative provision (AP) commissioner top-up funding (high-needs)

46. Mainstream free schools will receive additional funding from the local authority for pupils aged 5 to 19 with high needs where the local authority has commissioned the place. Schools will be expected to fund the first £6,000 of additional educational costs (over and above standard teaching and learning) for each high-needs pupil from their own budget. More information can be found on [GOV.UK](#).

Universal infant free school meals

47. All children in reception, Y1 and Y2 are entitled to free school meals under universal infant free school meals policy, and where they would not otherwise have been eligible for benefits related free school meals. This is funded at a rate of £2.30 per meal. In their year of opening, free schools will initially be funded based on the estimates of the pupil numbers used to issue their indicative funding letter. They will receive payment on 1 September. Adjustments to reflect actual pupil numbers will be made in January, based upon data from the October schools' census.

PE/sport premium

48. Free schools with primary age pupils receive PE and sport premium funding based on the number of pupils in years 1 to 6. They receive the [PE and sport premium](#) once they are open based on data from the school census. This grant is for a specific purpose, and will be paid separately to the GAG funding.

Post opening grant (central route projects only)

49. Free schools (with the exception of LA presumption free schools) are provided with a post opening grant to reflect the additional costs in establishing a new publicly-funded school which cannot be met through the GAG. The post-opening grant provides funding in two elements as the free school grows: non-staffing resources, paid on a per-pupil basis; and a leadership grant. These titles reflect the basis on which the funding is calculated, but the grant can be spent on any legitimate purpose of the school.

50. The first element (resources) is paid each year that the school builds up to capacity for each new pupil *expected* to be on roll and is not revisited to reflect actual pupil numbers and is taken from the final finance plan submitted before opening. It is paid at the following rates:

- £250 for each new mainstream pupil in the primary phase (years R to 6)
- £500 for each new mainstream pupil in the secondary and 16 to 19 phases (years 7 to 13)

51. The second element (leadership) is paid annually based on the number of year groups that the school will ultimately have that do not yet have pupils. The amount paid to mainstream schools with pupils aged 5 to 15 each year depends on how many year groups (cohorts) are empty, and is set out in the table below.

Empty cohorts	6+	5	4	3	2	1	Maximum
Primary	£80,500	£67,500	£54,000	£40,500	£27,000	£13,500	£283,000
Secondary (regardless of whether the school plans to have a sixth form)			£125,000	£93,500	£62,500	£31,000	£312,000
All-through (regardless of whether the school plans to have a sixth form)	£125,000	£93,500	£62,500	£54,000	£40,500	£27,000	£402,500

52. Free schools set up through the local authority presumption route are not eligible for the post opening grant. They should liaise with the local authority to agree what, if any, post opening/diseconomies funding the local authority will provide when the school opens.

Nurseries

53. Many primary and all-through schools already in the pipeline plan to have nursery provision, and the presumption is that primary and all-through schools approved as part of wave 13 will do.

54. Free schools do not receive funding under the free school programme for nursery places. To receive funding for government funded nursery places, free schools should register with their local authority, who will provide funding for the government entitlements where appropriate. The government childcare offer includes universal 15 funded hours for all three and four year olds, an additional 15 funded hours, making 30 hours, for the three and four year olds of working parents, and 15 funded hours for the most disadvantaged two year olds. All childcare providers can charge parents for meals, consumables (such as nappies and sun cream) and for additional activities (such as trips). They also have the additional flexibility of being able to charge parents for extra

hours taken up beyond entitlements. However, none of these extras can be made a condition of receiving the free entitlement.

55. Revenue funding for free early education is provided by the local authority using each local authority's early years single funding formula. Local authorities are required to fund schools that deliver this free entitlement provision. If free schools are interested in offering nursery provision, they should speak to their local authority to find out how much they could receive.

56. Free schools are also able to offer nursery provision which exceeds any local authority funded entitlement, including for under three-year-olds. Subject to their funding agreement, free schools may fund this by charging parents directly to cover their costs in delivering this provision. This can also be done through a subsidiary company, or by contracting with an independent provider who levies charges.

Financial governance and accountability

57. Trusts will need to ensure that spending decisions are transparent and in the school's best interests and should not give rise to criticism of the trust by Parliament, and/or the public, and/or the media. Free schools will need sound financial procedures - the capacity to handle public money, and good governance arrangements. On opening, a free school will need to have a robust framework to manage its funding and ensure proper accountability and procedures are maintained.

The Academies' Financial Handbook

58. The [Academies' Financial Handbook](#), together with the funding agreement, sets out the financial management and governance requirements for academy trusts.

59. Trusts must comply with the handbook throughout the pre-opening period and once open. This is outlined within the grant agreements underlying any funding trusts receive from the department and/or ESFA. Non-compliance with the handbook is considered a breach of contract and may trigger various sanctions.

60. The handbook includes requirements in relation to financial oversight, financial planning, internal control, financial monitoring and management and proper and regular use of public funds as well as a number of other specific matters. The handbook also sets out the audit requirements for academy trusts.

61. The handbook is aimed at trustees, accounting officers (principals and chief executives), principal finance officers (finance directors and business managers), clerks to the board of trustees, local governing bodies of multi-academy trusts and auditors.

62. The handbook clearly articulates that the accounting officer is personally responsible to Parliament, and to the accounting officer of ESFA, for the resources under their control. This personal responsibility extends to ensuring regularity, propriety and

value for money. The accounting officer also has responsibilities for keeping proper financial records and accounts, and for the management of opportunities and risks.

ESFA Information Exchange

63. ESFA Information Exchange is a secure website, accessible via DfE's secure access system. It enables academies to use:

- Document Exchange to receive and exchange documents with ESFA
- Help Centre to provide support and advice on using the Information Exchange
- Calendar to check key business cycle dates and deadlines
- Digital forms for accurate financial returns and other transactions

64. A secure access account for new free schools will be automatically set up using information shared from get information about schools (GIAS), the Department for Education's register of educational establishments. This usually happens within two weeks of opening. Prior to a free school opening, ESFA will send an email to the secure access approver of the free school who will then be able to activate the account and add up to 7 end users to use secure access and have access to Information Exchange.

Financial statements

65. Free schools, including those in the pre-opening phase, with a signed funding agreement must submit audited financial statements to ESFA, for each year ending 31 August, by 31 December. The [Academies Accounts Direction](#) prescribes the form and content of the financial statements. Prior to signing the funding agreement financial statements should be prepared in accordance with company law.

66. Trusts should set their [accounting reference date](#) to 31 August at Companies House. This is the date to which their financial statements will be produced.

67. Additionally trusts must publish accounts on their website as soon as possible after approval by trustees, but by no later than 31 January each year.

68. The accounts must also be filed by 31 May (i.e. within 9 months of the end of the accounting period) with Companies House. Further information can be found on the [Companies House website](#).

Other financial returns

69. Trusts must also submit the following financial returns to the ESFA once open:

- Budget forecast return – submitted to ESFA by 31 July or 6 weeks after receiving the final funding letter, whichever is the later
- Academies accounts return – due where the free school did not prepare audited accounts at 31 August but had opened by 31 March, or where the free school did prepare accounts at 31 August but has opened between 1 September and 31 March. The return must be submitted to ESFA by 31 May in

the first year only. Subsequent returns will be for the year ending 31 August and must be submitted to ESFA by 31 January

- Land and buildings valuation return - New free schools should complete the [land and buildings valuation online form](#) within 6 weeks of opening. This allows DfE to produce desktop valuations of the land and buildings of all new academies. ESFA will send academies that opened in the year between 1 September and 31 August a copy of the desktop valuation in the following January. The copy is for information only.
- [Financial management and governance self-assessment](#) - submitted to ESFA within four months of opening. The self-assessment highlights the main requirements academies must have in place soon after opening. A pre-opening self-assessment is available at Annex A, and is a helpful tool for trusts to assess a free school's financial governance and compliance prior to opening

70. Trusts are responsible for keeping up to date with the latest deadlines and requirements. More [information](#) is available on GOV.UK.

71. Trusts can also keep up to date through the ESFA [e-bulletin](#).

Further information

72. Further information on academies revenue funding is available on [the ESFA pages](#) on gov.uk.

73. There are also [training videos](#) available which trusts may find useful.

Annex A – Pre-opening financial management and governance self-assessment

This self-assessment is comprised of questions from the [Financial management and governance self-assessment \(FMGS\)](#). The requirements in the FMGS checklist apply from the date on which the funding agreement was signed, so it is a helpful tool for trusts to assess a free school's financial governance and compliance prior to opening. The self-assessment must be completed in full and sent to ESFA within four months of opening.

1. Has the board appointed a principal or chief executive?
2. Do the directors/trustees fully understand their duties as company directors and charity trustees to discharge their responsibility?
3. Has the trust permanently designated only one senior executive leader (principal or chief executive) as the accounting officer and does this person fully understand the duties and responsibilities of the role?
4. Does the accounting officer, under the guidance of the board, ensure appropriate oversight of financial transactions by having all the trust's property under the control of the trustees, measures in place to prevent losses or misuse; having bank accounts, financial systems and financial records operated by more than one person; keeping and maintaining full and accurate accounting records; and preparing accruals accounts, giving a true and fair view of the trust's use of resources, in accordance with existing accounting standards?
5. Does the board and appropriate committees meet at least three times per year and conduct business only when meetings are quorate?
6. Does the board receive, consider and act upon information about the financial performance of the trust at least three times a year?
7. Has the trust appointed a chief financial officer, with appropriate qualifications and/or experience?
8. Has the board approved a written scheme of delegation of financial powers that maintains robust internal control arrangements?
9. Has the board approved a balanced budget for the financial year?
10. Was the Education and Skills Funding Agency (ESFA) notified within 14 days of setting a deficit budget if applicable?
11. Was the budget forecast submitted to ESFA by the relevant deadline?
12. Has the board been made aware of the academies financial handbook requirements when making investments, including having an investment policy to

manage, control and track financial exposure, and ensure value for money; and regularly reviewing the policy and the trusts investments?

13. Has the board been made aware of the requirement to obtain approval from ESFA where it is considering borrowing funds or entering into liabilities such as leases or tenancies beyond delegated limits? If any payments have been made beyond delegated limits, full details must be provided in the commentary section below.
14. Has the trust established an appropriate internal control framework?
15. Has the trust prepared a contingency and business continuity plan?
16. Has the trust implemented a risk management strategy which included the regular review of its risk register by an appropriate committee of the board?
17. Has the trust obtained adequate insurance cover?
18. Has the board been informed of the delegated authority limits for the categories of transactions set out in the [Academies Financial Handbook](#)? If any payments have been made beyond delegated limits, full details must be provided in the commentary section below.
19. Has the board been informed of the requirement to ensure that all the trust's spending has been for the purpose intended; that there is probity in the use of public funds; and that all spending decisions represent value for money?
20. Has the board been informed of the requirement to obtain approval from ESFA before making any novel, contentious or other such payments (for example, staff severance payments) as detailed in the [Academies Financial Handbook](#)? If any payments have been made beyond delegated limits, full details must be provided in the commentary below.
21. Have all decision makers including the trustees, members, local governors of academies if a multi-academy trust (MAT); and senior employees completed the register of business and pecuniary interests?
22. Has the academy trust published, on its website, its governing structure and remit and the relevant business and pecuniary interest of the accounting officer, members, trustees, including local governors where the trust is a MAT?
23. Does the trust have in place measures to manage any conflicts of interest?
24. Has the board approved a competitive tendering policy?
25. Do senior officers' payroll arrangements meet tax obligations fully?
26. Has the board been informed that goods or services provided by individuals or organisations connected to the trust must be provided at 'no more than cost', on the basis of an open book agreement and supported by statements of assurance, in accordance with the conditions set out in the [Academies Financial Handbook](#)? If

any goods or services have been provided that exceed 'no more than cost', not on the basis of an open book agreement or without statements of assurance, full details must be provided in the commentary section below.

27. Has a set of accounting policies been approved?
28. Has the board appointed an external auditor for the trust?
29. Has the trust established an audit committee or a committee that fulfils the functions of an audit committee?
30. Has the trust implemented a process for the independent checking of financial controls?
31. Has an appropriate committee of the board agreed a programme to address the risks to financial control?
32. Has the board been informed of the requirement to report to ESFA any instances of fraud or theft: above £5,000 against the trust whether by employees, trustees or third parties; or where fraud is unusual or systematic in nature? Full details must be provided in the commentary section where any such fraud or theft has occurred.
33. Has the board approved a whistleblowing policy?



Department
for Education

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