



# 1. Introduction

**1.1** The Medium Term Financial Strategy (MIFS), the Trust's key financial planning document, is an integral part of the Trust's Business Planning process. The Trust operates a system of priority led budgeting with those priorities set out in the Trust's Strategic Plan

**1.2** The MIFS sets out how the financial management process will contribute to delivering those priorities and sets out a clear framework for our financial decision making. We fully expect that it will change over time to reflect new opportunities, policy decisions and the growth of the MAT.

**1.3** The MIFS includes a forward look over the next three years to assess the spending pressures the Trust is likely to face and the level of cost reductions or income generation needed to ensure the Trust retains a healthy reserve level.

**1.4** The Trust will apply the following principles to its medium term financial planning which are those published by CIPFA:

**1.4.1** demonstrates a clear strategic direction based on a vision in which financial management is embedded into organisational culture;

**1.4.2** is rooted in medium term financial planning which drives the annual budget process supported by effective risk management, quality supporting data and whole life costs;

**1.4.3** is undertaken with transparency at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer action and Director decision making

**1.4.4** is promoted by the leadership team of the Trust and our academies and is evidenced

**1.4.5** as an effective tool mainstreamed into financial management and includes Director/governor scrutiny informed by the results of both external audit, internal audit and inspection

**1.4.6** of schools is at the heart of all financial management process and is evidenced by prudent use of public

**resources**

**1.5** The Trust has a strategic risk register and a supplementary financial risk register; which is reviewed at least 3 times a year by the Boards Audit & Finance Committee. Scrutiny of risk generates query which then informs responsive action from the Chief Executive Officer:

**1.6** The Trust is required to retain a certain level of reserves. This is to provide protection against both known and unknown risks. This includes being able to react to changes in demand and emergencies that may arise. The Trust has 4 different categories of reserve:

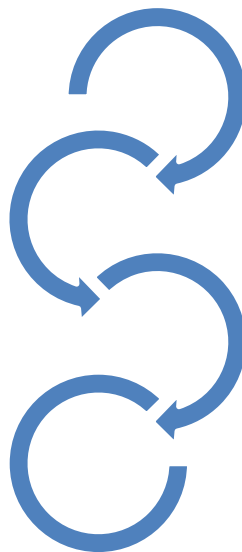
**1.61** - the uncommitted/unspent funding across all academies and business units in the Trust as of 31 August;

**1.62** the funding the Trust keeps in reserve to support the mitigation of risks and emergencies;

**1.63** - funding specifically held for capital purposes in furtherance of some particular aspect of the objectives of the individual academy.

**1.64** funding specifically held to mitigate the presence of a pension deficit.

**1.7** The Trust must comply with all aspects of the Academy Trust Handbook (ATH), which is updated at least annually by the Education & Skills Funding Agency (ESFA). In line with the duties on the Trust, our financial planning framework is as follows:







## 23

**231.** The accounting officer role includes specific responsibilities for financial matters. It includes a personal responsibility to Parliament, and to ESFA's accounting officer, for the Trust's financial resources.

**232** Accounting officers must be able to assure Parliament, and the public, of high standards of probity in the management of public funds, particularly regularity, propriety and value for money.

## 233

**advice, the accounting officer must consider the boards reasons and if the accounting officer still considers the action proposed by the board is in breach of the articles, the funding agreement or handbook, the accounting officer must notify ESEA's accounting officer immediately in writing**

**24**

**241. The CFO and their finance staff must be appropriately qualified and/or**

**Due to the school building being part of a Private Finance Initiative (PFI), the school took over 14 months to complete the conversion process, not completing conversion until 1 October 2019**

**35 2019/20 saw the largest in year variation to date, as 5 schools (including Gags) converted throughout the autumn and spring terms**

**36 During the latter months of 2019/20 and for the whole of 2020/21, all schools were impacted by the global COVID 19 pandemic. Schools were instructed to close but government guidance was that all pupils who were considered vulnerable as well as those who were children of key workers, must be given priority to continue to access the school setting. For our special schools this meant that 100% of the pupils on roll fell into this category and for our mainstream primary, Gags, this was 34% of pupils on roll. This meant that overheads and operating costs at the schools remained comparable with previous years as the day to day activity was largely unaffected**

**37 Although day to day activity was largely unaffected, there were exceptional costs that schools incurred, such as the purchase of PPE and extra cleaning and sterilising consumables. Alongside this, during 2020/21 all school budgets came under pressure from the increasing costs of supply staff required due to the capacity pressures lateral flow testing created as well as the schools requiring cover staff to backfill for periods of sickness and isolation. These exceptional costs were covered by additional COVID grants, which have been received and will continue into 2021-22. At the Comprehensive Spending Review, an additional £1.6 billion was announced for education recovery as a result of COVID**

**38 The Trust's first Free School opened in 2020/21, with another following in 2022/23**

**39 A further two academies joined the Trust in 2022/23, as a result of a re-brokerage from an existing Trust. One of these was a sponsored academy. The latest school to join the trust was in September 2023. Two further schools are converting and joining the Trust in September 2024, both as sponsored academies**







- 4.11. Detailed due diligence within a clearly defined decision making process ensures Directors retain firm control of MAT growth**



## 6 Key Performance Indicators

**6.1. Key performance indicators over the period are as below**

## 7. Risks

**7.1. All financial strategies which make predictions and assumptions past the current year come with an element of risk. This is due to the uncertainties of a changing economic landscape and the quality of the assumptions made on the known factors at the time of producing the strategy. For the Academies sector in particular; much of the financial envelope in which we work cannot be influenced by the Trust itself and we must merely react and adapt to financial policy being set by both central and local government.**

**7.2 The risks which may affect the robustness and accuracy of this strategy are as follows:**

**Unclear Government policy for the future of SEND and High Needs Funding**

**Revised High Needs Operational guidance still leaving an imbalance between IAs and providers;**

**Inability to control or effectively forecast variations to IGPS and Teachers**

**Pensions contributions;**

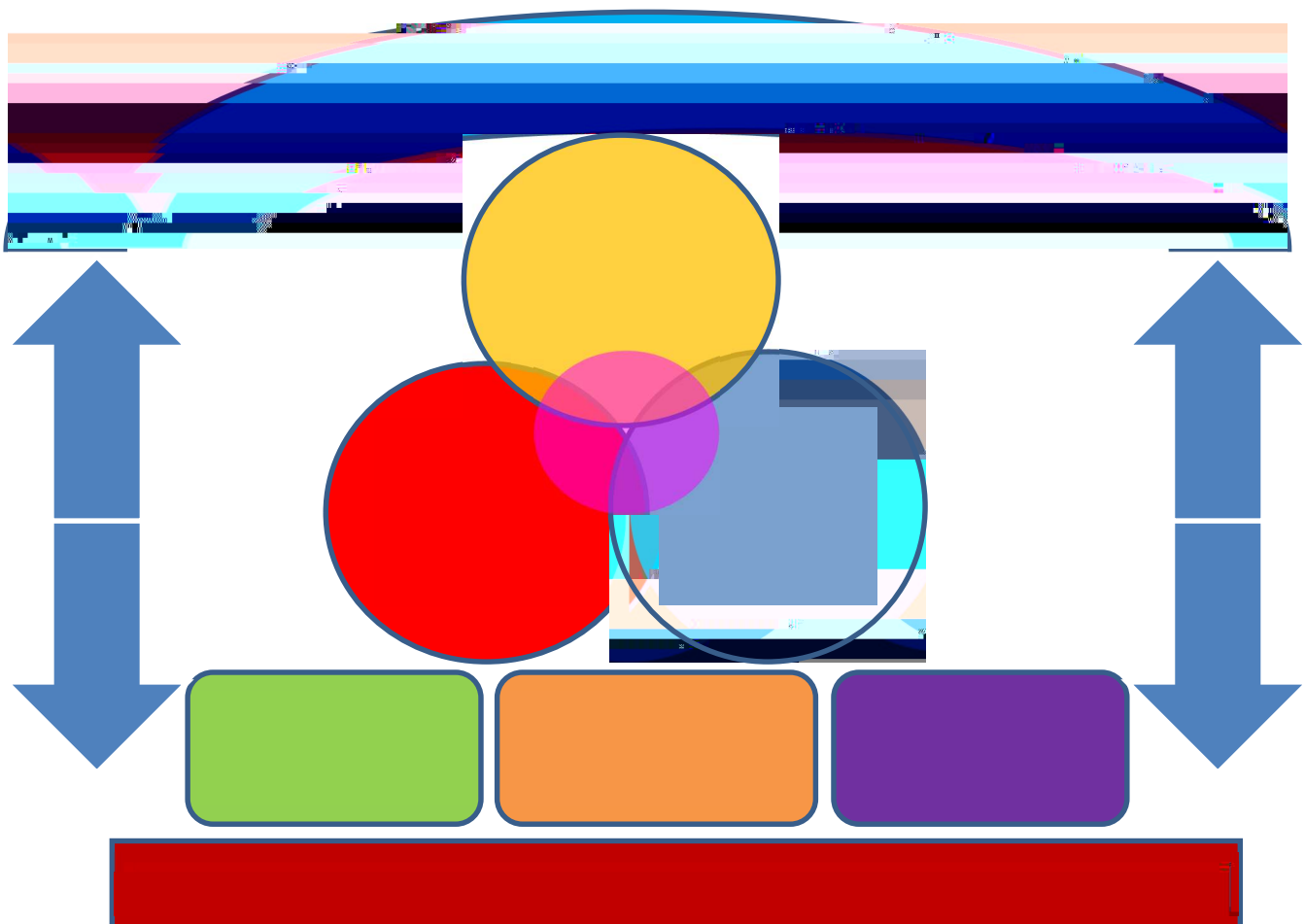


**7.3** These risks are managed and tracked by:

**Regular and detailed monitoring is undertaken by the Education and Quality Assurance**

## 8 Governance

**81. This document is one of the 3 main delivery strategies for realising the Trust's 5 Year Strategic Plan**



**82 The Trust Board retains responsibility for overseeing the delivery of the 5 year plan, agreeing the annual business plan and receiving bi-monthly updates on progress**

**83 The Finance and Infrastructure Committee has delegated responsibilities for overseeing delivery of the Trust's Medium Term Financial Strategy:**