EQUITABLE FUNDING POLICY

THIS POLICY APPLIES TO THE HEARTWOOD LEARNING TRUST BOARD, THE CENTRAL TEAM AND ALL TRUST SCHOOLS/ACADEMIES

Document Management	
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Approving Committee	Trust Board

Contents

Policy Updates

Date	Page	Policy Updates
June 2025	Whole Policy	NEW Policy
September 2026	Whole policy	Title changes updated for key staff

Introduction

Heartwood Learning Trust is an inclusive and collaborative Church of England multi-academy trust serving church, community and alternative provision schools. This policy is guided by our Christian ethos and the visions of our Trust and its schools/academies. We share a clear vision – to create schools where children and young people thrive, as we help them prepare to live life in all its fullness (John 10:10).

Our aim is to develop schools and an educational offer which enable each pupil to flourish academically, practically, emotionally, socially and spiritually. A place to thrive.

Statement of Intent

Heartwood Learning Trust (HLT) is aware of the significant challenges facing all schools/academies across the country related to income and expenditure (such as staff pay awards, IT equipment, cost of resources including food, materials, etc). HLT is committed to the distribution of funding across the Trust to better address the financial challenges our schools/academies face to ensure that all pupils can benefit from the Trust's collective income and resources.

HLT values all of our pupils the same and has implemented an Equitable Funding Strategy to help enhance the educational experience within our schools/academies, whilst improving educational outcomes.

1. Legal Framework

1.1. This policy has due regard to all relevant legislation and guidance including, but not limited to, the following:

- The Equality Act 2010
- Companies Act 2006
- Academy Trust Handbook 2024

1.2. This policy operates in conjunction with the following Trust policies:

- Finance Policy
- Equality Policy and Objectives
- Premises Management Policy
- Investment and Treasury Management Policy

2. Roles and Responsibilities

2.1. The **Members** are responsible for:

- Acting as custodians of the governance of the Trust and ensuring that the Articles of Association are appropriate.
- Appointing the Trust's external auditors and receiving the audited annual report and accounts (subject to the Companies Act).

2.2. The **Trust Board** are responsible for:

- Oversight of the funds granted by the Central Government and other associated departments being used for providing education in the Trust's schools/academies.
- Holding executive leaders to account for the educational performance of the Trust and its pupils.
- The performance management of staff overseeing and ensuring effective financial performance on behalf of the Trust.

2.3. The **Chief Executive Officer (CEO)** / **Accounting Officer** is responsible for:

- Managing the Trust's financial resources in line with the Central Government and other associated departments' requirements.
- Ensuring the Trust's property and assets are effectively managed.
- Ensuring bank accounts, financial systems and financial records are operated by more than one person in the Trust's Central Services Team.
- Keeping full and accurate accounting records to support the Trust's annual accounts.

2.4. The **Deputy Chief Executive Officer (Deputy CEO)** is responsible for:

- Line management of the financial support service delivery within the Central Services Team.
- Financial strategy and oversight of implementation of the Trust's Equitable Funding Strategy.

2.5. The **Chief Finance Officer (CFO)** is responsible for:

- Responsibility for the Trust's detailed financial procedures and technical delivery of the Trust's Equitable Funding Strategy.

2.6. The **Principal** is responsible for:

- School/academy level financial management in line with their individual budget based on the Trust's Equitable Funding Strategy.

3. Income

3.1. Academy Trusts are publicly funded and hold charity status. Heartwood Learning Trust is one organisation registered at Companies House and manages funding and budgetary allowances in all schools/academies within the Trust.

3.2. Funding received is calculated based on:

- The number and demographic of pupils enrolled at the school/academy
- Details included in the most recent Census (October) for the next academic year
- Levels of disadvantage (this includes Pupil Premium funding)
- Self-generated funding (e.g. lettings, nursery and early years provision, etc)
- Education, Health and Care Plan (EHCP) funding allocations

3.3. Additional funding is received separately for:

- Maintenance of estates
- Capital projects

4. Equitable Funding

4.1. Equitable Funding is an income management strategy that enables Heartwood Learning Trust to offer more effective financial support and efficient allocation of resources, based on need, to schools/academies within the Trust. The Trust can choose to amalgamate income for its schools/academies into one central fund. This ensures there is a more equitable distribution of funding which prioritises pupils' wellbeing and educational outcomes and is needs-based.

4.2. The equitable funding model does not charge schools/academies a monthly or annual fee for central team services (commonly known as 'Top Slice'). The central team is funded by the income received by the Trust to ensure that it remains appropriate to support the schools/academies.

4.3. Equitable funding can be used to take additional factors into account when allocating resources, such as:

- Schools/academies undergoing a period of growth are often subject to a delay in funding.
- Older buildings are often less efficient so can cost more to operate and maintain.
- Funding varies between local authorities and some children may have a greater monetary value placed on their education than others, regardless of demographic.
- Financially wealthier schools/academies are able to provide more advanced resources or IT provision, whilst economically challenged schools/academies may struggle to meet basic needs.

4.4. Our aim is to develop an educational offer which enables each pupil to flourish academically, practically, emotionally, socially and spiritually.

4.5. The basis of this funding model provides us with effective budgeting to maximise the funds available across the Trust. Equitable funding allows us to be more flexible and offer faster responses to specific needs within individual schools/academies.

4.6. Equitable funding ensures that schools/academies in a deficit can continue to focus on educational delivery while maintaining the educational environment and resources. Using an equitable funding model, the Trust can ensure continued investment into the required educational development and quality assurance to improve educational outcomes.

4.7. School Improvement Team

The Trust has a central **School Improvement Team** whose responsibility is to provide quality assurance for educational standards across all schools/academies and to provide specialist support where required.

The **School Improvement Team** bolsters leadership capacity, helps to align core curriculum areas and offers targeted support for schools/academies dealing with significant challenges (such as low attendance, behavioural management concerns etc).

4.8. Central Services Team (CST)

The Trust has a **Central Services Team (CST)** whose responsibility is to provide support with operational delivery, including (but not limited to):

- Financial Management
- Procurement and Tendering
- Estate Management / Facilities support
- Policy development
- HR Support
- Management and oversight of Safeguarding
- Governance and Compliance

4.9. Staffing Structures

The Trust has defined job descriptions and consistent roles within leadership teams, operational and administrative teams, alternative provision settings and educational delivery staffing groups. This ensures that all schools/academies reflect the same staffing structure with defined criteria suitable for the setting, ensuring consistency to mitigate risk.

School Groupings	Defined for each school	Factors
SLT Structures	Size / Phase Roles Teaching allocations	Dependant on school size Consistent roles and job descriptions Teaching and Learning Responsibilities
Educational Delivery Staff	Curriculum Led Financial Planning Teacher Contact Ratios Minimum group sizes	Dependant on school size Consistent roles and job descriptions - standard roles Variable job descriptions - specialisms Pupil Premium SEND Funding based on EHCPs Specialist Funding
Operational and Administrative Staff	Size / Phase Roles Working hours / weeks	HLT Payscale Dependant on school size Consistent roles and job descriptions Consistent working practices
Alternative Provisions	Based on agreed forecasting model	Consistent roles and job descriptions Consistent working practices

4.10. Planning and Business Cases

Estate management, contracts and agreements, utilities and insurance are managed centrally via the Trust CST:

Estate Management		
Grounds Maintenance	Proactive Maintenance	Maintenance Servicing
Commercial Waste	Hygiene Services	Recycling Costs
Water Management	Pest Control	Sports Equipment Maintenance
Asbestos Management	Health and Safety Audits	
Contracts and Agreements		
Fire and Intruder Alarms	Health and Safety Provision	DBS
Commercial Waste	Hygiene Services	Recycling Costs
Confidential Waste	Minibus Lease	Broadband Photocopying - Contract only
Telephone Provision	Trustwide Software; Microsoft, MIS Licences, Compliance, etc	Catering (Outsourced)
Cleaning (Outsourced)	Occupational Health	Employee Assistance Programme
Web Hosting	Information Technology	
Utilities, Rates and Insurance		
Electricity	Gas	Biomass Fuel
Water & Sewerage	Rates	Insurance

Please note this list is not exhaustive.

5. Equitable Funding Strategy

5.1. The Strategy provides Trustwide support specialisms ensuring:

- Long term financial stability
- The best educational environment and facilities for our pupils
- Compliance with best practice

5.2. The development plan, Equitable Funding Structure and approved parameters provides the framework for the annual budget and in line with the Trust Finance Policy.

6. Academy Re-brokerage

6.1. In the event that an Academy within the Trust is rebrokered to another Multi-Academy Trust or reverts back to the designated Local Authority, the financial position of the respective school will be based on a zero balance. Based on the equitable funding model all surplus and deficit funds are calculated within the overall Trust reserves. Re-brokerage will **not** recognise a surplus or deficit academy position.

7. Monitoring and Review

7.1. This policy will be reviewed by the **Deputy Chief Executive Officer** and **Chief Finance Officer (CFO)** on an annual basis, or earlier should any new legislation regarding the subject be published.

7.2. The **Trust Finance Officers** will review and monitor each individual school/academy's financial records, raising any concerns with the **CFO.**

7.3. The Resources Committee will be responsible for approving this policy. The next scheduled review date can be found on the title page of this document.