Role of the accounting officer

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The voice of school trusts

Introduction

This guidance explains the role of the accounting officer in a school trust, including their personal responsibility to Parliament for regularity, propriety, and value for money.

The accounting officer sits within a wider system of trust governance, financial management, assurance, and public accountability, and works with the board, chief financial officer, executive leaders, external auditors, and others to ensure the trust meets its funding agreement, statutory, contractual, and regulatory obligations.

It should be read alongside the *Academy trust handbook* and HM Treasury's *Managing public money*.

Appointment of the accounting officer

The trust's funding agreement contains the requirement that the trust must appoint an accounting officer and assign to that person the responsibilities of the role set out in the *Academy trust handbook* (ATH) and HM Treasury's *Managing public money*.

The accounting officer should be the senior executive leader, for example, the chief executive officer in a trust with multiple schools, or principal in a single academy trust. The ATH specifically states that the role must not rotate; for example, it cannot pass between headteachers of academies in a trust.

The accounting officer should be employed by the trust; prior Department for Education approval must be obtained if the trust is proposing to appoint someone, in exceptional circumstances, who is not an employee. Trusts must ensure that senior employees' payroll arrangements fully meet their tax obligations and complies with HM Treasury's *Review of the tax arrangements of public sector appointees* guidance.

As of October 2026, prior DfE approval must be sought for some executive pay arrangements. This covers new appointments where remuneration exceeds £174,000, or the pro rata equivalent for part-time staff, or performance-related pay above £25,000.

The accounting officer’s duty

The accounting officer has a personal responsibility to Parliament and DfE’s accounting officer for the trust’s financial resources. This responsibility must not be delegated.

In practice, the accounting officer is the key individual who links the accountability and governance structures of the trust.

They must assure the board of the trust’s compliance with the requirements of ATH, its funding agreement and all relevant aspects of company and charitable law.

This means that they must ensure that board receives the information that they need to perform their roles effectively. The accounting officer's assurance role is broader than financial reporting alone. They should ensure that the board receives timely and reliable information on compliance, financial sustainability, internal controls, safeguarding, estates, and other matters where the board requires assurance.

The accounting officer should also support the board in understanding how financial decisions affect educational outcomes, inclusion, staffing, property, technology, and stakeholder confidence.

The accounting officer must advise the board in writing if it fails to act or if action it is considering is incompatible with the articles, funding agreement, or ATH. The accounting officer must consider the board’s reasons should it be minded to proceed despite their advice. If they still consider that the action proposed by the board is in breach of the articles, the funding agreement or ATH, the accounting officer must notify DfE’s accounting officer immediately in writing.

The accounting officer should recognise that regularity, propriety, feasibility, and value for money support the trust's wider public purpose. The ATH places greater emphasis on inclusion, community, partnership working, and support for vulnerable pupils. In exercising their responsibilities, the accounting officer should ensure that financial and operational decisions are consistent with the trust's duties to all pupils, particularly those with additional needs or who are vulnerable.

Ensuring high standards

The individual appointed as accounting officer must be a fit and suitable person for the role and must adhere to the *Seven principles of public life*.

They must be able to assure Parliament and the public of high standards of probity in the management of public funds particularly:

- **regularity**: actions are compliant with legislation and statutory guidance, the trust's articles of association, the trust's funding agreements and linked guidance, as well as the trust's own internal procedures
- **propriety**: actions meet high standards of public conduct and relevant Parliamentary expectations. This covers standards of conduct, behaviour, and corporate governance. It includes fairness, integrity, avoidance of private profit from public funds and even-handedness in the appointment of staff.
- **feasibility**: actions can be implemented accurately, sustainably, and to the intended timetable with the resources available and without incurring wasteful spend.
- **value for money**: in comparison to alternative proposals or doing nothing, actions deliver policy objectives in a way that represents good value, taking into consideration the chances of different degrees of success or failure. This includes considering:
  - **economy**: reducing the cost of resources used, while maintaining quality
  - **effectiveness**: achieving the intended outcomes or objectives
  - **efficiency**: achieving maximum output for given inputs, or minimum inputs for a given output

The accounting officer also has an important role in supporting the board's oversight of financial sustainability. This includes ensuring that emerging financial pressures, deficits, funding risks, and other threats to the trust's long-term viability are identified early and reported clearly to trustees so that appropriate action can be taken.

There are specific provisions requiring the accounting officer to have oversight of financial transactions by:

- ensuring the trust's property and assets are under the trustees' control, and measures exist
- to prevent losses or misuse
- ensuring bank accounts, financial systems and financial records are operated by more than one person
- keeping full and accurate accounting records to support the trust's annual accounts

The accounting officer should also ensure that the trust has robust oversight of procurement, executive remuneration, severance arrangements, pension decisions, salary sacrifice schemes, related party transactions, and any novel, contentious, or repercussive expenditure. These areas may attract heightened public and regulatory scrutiny and require particular attention to regularity, propriety, transparency, and value for money.

The accounting officer must ensure that their capacity to control or influence trust decisions does not create actual or perceived conflicts of interest. Particular care should be taken in relation to related party transactions, executive pay, and procurement decisions.

The accounting officer should also be alert to transactions that may be considered novel, contentious, or repercussive, recognising that these terms extend beyond financial value alone and may arise where a proposal is unusual, potentially controversial, politically sensitive, or likely to attract public, parliamentary, regulatory, or media scrutiny.

Transactions involving the accounting officer, connected persons, or senior leaders are likely to attract greater public scrutiny and should be managed with openness, transparency, and integrity, including obtaining prior DfE approval where required.

The business and pecuniary interests of the accounting officer must be declared and published on the trust's website whether they are a trustee or not.

Annual report and accounts

The annual report and accounts must include a statement on regularity, propriety, and compliance which must be completed and signed by the accounting officer. This is a formal declaration by the accounting officer that they have met their personal responsibilities to Parliament for the resources under their control during the year.

The format of the statement is included within DfE's accounts direction. A review of the accounting officer's statement must be included within the remit of trusts' external auditors.

The accounting officer must also demonstrate how the trust has secured value for money via the governance statement in the audited accounts: there is a standard declaration by the accounting officer acknowledging their responsibility for value for money and then several examples illustrating how they have delivered value for money during the year.

The accounting officer should also support the board in meeting wider expectations regarding financial transparency. This includes ensuring that published financial information provides meaningful insight into how resources are allocated and deployed to support pupils and schools across the trust.

Departure of the accounting officer

When the accounting officer is planning to leave the trust, the board should ensure that robust succession and transition arrangements are in place.

The board should consider any risks to governance, compliance, financial control, organisational resilience, and leadership continuity, and engage with the DfE regional director to give an opportunity for them to discuss the trust structure and options including any recruitment or succession planning.

Supporting the accounting officer: the role of the chief financial officer

Whilst accountability for financial matters cannot be delegated, in the day-to-day financial management of the trust, the accounting officer will inevitably need to place reliance on the work of the chief financial officer (CFO) or lead finance professional.

The trust must have a CFO, appointed by the trust's board, who is the trust's finance director, business manager or equivalent, to lead on financial matters. Responsibility should be delegated to the CFO for the trust's detailed financial procedures.

The CFO should be an employee of the trust. If, in exceptional circumstances, it is proposed to appoint a CFO who will not be employed by the trust, prior DfE approval must be obtained.

The CFO (and any others holding key financial posts) should be appropriately qualified and/or experienced for the size, complexity, and risk profile of the trust. Continuing professional development and ongoing training should be undertaken by CFOs.

For trusts of over 3,000 pupils the CFO should have a professional accountancy qualification from a professional body such as the ICAEW, ACCA, CIMA, CIPFA or equivalent. For new appointments:

- after 1 October 2026, recruitment should specify that the person should be a qualified accountant, and a member of the relevant professional accountancy body and/or hold the CIPFA level 7 qualification
- after 1 September 2027, recruitment must specify that the person should be a qualified accountant, and a member of the relevant professional accountancy body, and/or hold the CIPFA level 7 qualification. If a trust is planning to appoint a new CFO, who is not a qualified accountant or holds the CIPFA level 7 qualification, DfE must be informed in advance.

The CFO should play both a technical and a leadership role. While the accounting officer retains personal responsibility for regularity, propriety, and value for money, effective discharge of those responsibilities depends upon a strong partnership with the CFO. The CFO should provide high-quality financial advice, reporting, forecasting, and assurance to both the accounting officer and the board, and should attend all relevant committee meetings to fulfil this responsibility.

It is essential, therefore, that the person appointed as CFO has the accounting officer's trust, and they must be able to work well together. Their roles and responsibilities should be clearly set out so that tensions between the two do not arise.

The board should also possess sufficient financial knowledge and understanding to provide effective challenge and oversight. The accounting officer and CFO should support trustees by ensuring that financial information is accessible, timely, and focused on the decisions and assurances required by the board.

Managing public money

The trust and its officers must ensure that the public funds entrusted to it are used for the purposes intended. This money must be managed in a way that meets the expectations of Parliament, delivering accountability to the general public on whose behalf Parliament operates. Much of what managing public money requires is just good common sense, or sound financial management.

Effective stewardship increasingly requires consideration of cyber security, digital infrastructure, estates safety, sustainability, and other operational risks that could affect educational provision, public confidence, or the trust's financial position. The accounting officer should ensure that appropriate assurance is provided to the board in these areas.

ATH sets out the areas of HM Treasury's Managing Public Money that directly apply to trusts, and all references to it provide further explanation and clarification of these areas.

Details about the accounting officer as well as the CFO must be uploaded to *Get information about schools*, including direct contact details for use by the DfE. Individual contact details are not published to the website.

Whilst trust employees should not be members of the audit and risk committee, the accounting officer and CFO should attend to provide information and participate in discussions.

Conclusion

The accounting officer must ensure that the trust has strong systems of control, assurance, and financial management. They must be able to assure Parliament, the Department for Education, trustees, and the public that public funds are being used for their intended purposes, that high standards of conduct are being maintained, and that the trust is managing its resources sustainably and in the best interests of pupils. In performing this role, the accounting officer should hold three questions in their mind:

- Can I demonstrate that the trust's funds have been spent for the purposes that Parliament intended?
- Am I satisfied that appropriate standards of conduct have been applied to all spending decisions, and that any conflicts of interest have been handled appropriately?
- Has the trust managed its resources efficiently and achieved value for money?

In other words, am I sure that the decisions I and the trust board have made are ethical and would stand the test of the seven principles of public life?

Appendix: Seven principles of public life

The seven principles of public life (also known as the Nolan Principles) apply to anyone who works as a public office-holder. This includes all those who are elected or appointed to public office, nationally and locally, and all people appointed to work in the Civil Service, local government, the police, courts and probation services, non-departmental public bodies, and in the health, education, social and care services. All public office-holders are both servants of the public and stewards of public resources.

The principles also apply to all those in other sectors delivering public services, including the trustees and executive leaders of school trusts.

1. Selflessness. Holders of public office should act solely in terms of the public interest.
2. Integrity. Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
3. Objectivity. Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
4. Accountability. Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
5. Openness. Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
6. Honesty. Holders of public office should be truthful.
7. Leadership. Holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.

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