

# Scheme of Delegation

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# I. Terms of Reference

## I.1 The Board of Directors

The Board of Directors has wide discretion over its use of the Academy Trusts funds. It is ultimately responsible for the proper stewardship of those funds and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money. It must also ensure that it uses its discretion reasonably, and takes into account any and all relevant guidance on accountability and propriety.

It is specifically responsible for ensuring that the Trust's funds are used in accordance with: the law; The Board of Directors powers under the Funding Agreement (including the articles of association which set out the powers of the Trust and its governance arrangements); and the Academies Financial Handbook.

The members of The Board of Directors of the Trust should also be aware of the statutory duties of company directors, which are set out in the Companies Act and include the duties to:

- Exercise their powers only for a proper purpose
- Promote the academy's success
- Exercise independent judgement
- Exercise care and skill
- Avoid conflicts of interest



## 1.2 The Finance Team

The Finance Team is a committee of The Board of Directors. The Finance Team meets at least once a term but more frequent meetings can be arranged if necessary. The main responsibilities of the Finance Team include:

- The initial review and authorisation of the annual budget
- The regular monitoring and scrutiny of the academy management accounts
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the EFA guidance issued to academies
- Reviewing and checking details of contracts and purchases
- Authorising the award of contracts and purchases
- Reviewing the financial reports on the effectiveness of the financial procedures and controls. These reports must also be reported to the Board of Directors



## 1.3 Accounting Officer

Within the framework of the academy development plan as approved by The Board of Directors the Executive Principal is the Accounting Officer and has overall responsibility for the academy's activities including financial activities. The Trust accounting officer is personally responsible to Parliament and to the accounting officer of the EFA for the resources under their control. The essence of the role is a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; for ensuring value for money; and for the efficient and effective use of all the resources in their charge. Essentially accounting officers must be able to assure Parliament and the public of high standards of probity in the management of public funds.

Much of the financial responsibility has been delegated to the Executive Principal and Finance team but the Executive Principal still retains responsibility for:

- Approving new staff appointments within the authorised establishment, except for any senior staff posts which The Board of Directors have agreed should be approved by them
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the EFA guidance issued to academies
- Completion of the accounting officer's statement on governance, regularity, propriety and compliance for inclusion in the Trust's annual report
- Authorising contracts
- Advising the Finance Team on purchases
- Signing cheques and authorising BACs payments in conjunction with the bank mandate



## 1.4 The Finance Team

The Finance Team provides governors with an oversight of the academy's financial affairs. The main duties of this team are to provide The Board of Directors with assurance that:

- The financial responsibilities of The Board of Directors are being properly discharged
- Resources are being managed in an efficient, economical and effective manner
- Sound systems of internal financial control are being maintained
- Financial considerations are fully taken into account in reaching decisions

The Finance Team will undertake a termly programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as agreed by The Board of Directors. A report of the findings from each visit will be presented to the Finance Team.

## 1.5 Other References

- **Regularity** means the requirement for all items of income and expenditure to be dealt with in accordance with the legislation authorising them, and any applicable delegated authority
- **Propriety** means the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of Parliamentary control. This includes standards of conduct, behaviour and corporate governance
- **Value for money** means the educational and wider societal outcomes achieved in return for the taxpayer resources received. We are all interested in educational outcomes in return for the money spent but as this is lagged we are able to use more immediate outcomes to demonstrate value for money and cost effectiveness



## 2. Budgeting and Reporting

Role	Value	Delegated Authority	Method	Review Period
Budget setting process		Executive Principal and Heads of School	Agree academy improvement priorities	Annually
		Head of School and Finance Team	Draft budget plan	
		Executive Principal and Heads of School	Agree budget plan	
		Finance Team	Agree budget plan	
		Board of Directors	Approve or reject budget	
Budget holder's responsibilities	As per the individual budgets set	Head of School, Finance Team and other budget holders	Budget monitoring is the responsibility of the budget holder and must not be overspent at any time during the year unless through prior agreement from the appropriate authorisation level	Monthly
Monthly Management Accounts		Finance Team and Executive Principal in conjunction with Finance Consultants	All transactions to be processed and reconciled by the academies finance staff for the timely checking and production of the monthly management accounts and governors reports as per the Financial Timetable	Monthly
Virements	Up to £5,000	Heads of School plus Head of Business Operations	Must be disclosed to the Executive Principal	As necessary
	Up to £50,000	Executive Principal	Must be disclosed to the Finance Team	
	Over £50,001	Finance Team	Must be approved by the Finance Team	
EFA Reporting		Executive Principal/Accounting Officer in conjunction with The Sovereign Trust Auditors and Financial Consultants	An annual Financial Reporting Timetable will be released by the EFA dates and requirements will be included on this timetable	As necessary to ensure compliance



# 3. Income

Role	Value	Delegated Authority	Method	Review Period
Collection and receipt of cash and cheques	Any	Operational Finance and HR Assistant (OFHRA) or delegated administration assistant	Cash must be receipted by the person with delegated authority and recorded in the appropriate ledger. All on site cash and cheques must be locked in the safe until banking	Annually
Sales Invoices	Up to £15,000	Operational Finance and HR Assistant (OFHRA)	All sales invoices must be processed through the financial management system, and issued in a timely manner	As required
	£15,001 to £50,000	As above plus Executive Principal	Principal to authorise the issuing of sales invoices above £15,001, and then as above	
	Over £50,001	Finance Team	Finance Team to approve the issuing of sales invoices above £50,001, and then as above	
Banking of cash and cheques	Any	Operational Finance and HR Assistant (OFHRA) or delegated administration assistant	Cash and cheques should be banked on a regular basis and should not be allowed to accumulate above £4,000. Banking should be checked and agreed by another member of staff before being banked and should relate back to receipts issued	
Reconciliation of bank accounts		Operational Finance and HR Assistant (OFHRA) or delegated administration assistant or finance consultant	Bank accounts should be reconciled at least on a monthly basis by someone other than the person doing the banking. Bank reconciliations should then be signed dated and filed	Monthly
Petty Cash		Operational Finance and HR Assistant (OFHRA) or delegated administration assistant	Petty cash should be kept in a locked tin and stored in the school safe. Petty cash payments should be kept below £100. Receipts must be provided for any claim. Pre-approval from the appropriate budget holder must be obtained before any purchases take place. Period checks should take place by finance consultant or Executive Principal	Weekly





# 4. Purchases and Payments

Role	Value	Delegated Authority	Method	Review Period
Purchase orders	Up to £1,000	Operational Finance and HR Assistant (OFHRA) and budget holders	Orders should be placed with approved suppliers unless agree otherwise with the Operational Finance and HR Assistant (OFHRA). Orders should be written on approved purchase order pro forma and authorised before being processed in the financial management system, and before order is placed with supplier. Approved paper based orders should be entered into the financial management system by someone other than the person who	Monthly
	£1,001 to £5,000	Head of School, Deputy Head and Operational Finance and HR Assistant (OFHRA)	As above and three quotes must be obtained. These can include both written and verbal.	
	£5,001 to £50,000	Executive Principal with Heads of School with notification to the Board	As above however minimum three quotes must be written	
	Above £50,000	Finance Team with notification to the Board	Formal tendering process, including advertising if appropriate	



# 4. Purchases and Payments continued

Role	Value	Delegated Authority	Method	Review Period
Payment by cheque or BACs	Up to £5,000	Two signatories required from either of the Heads of School or Deputy Heads, or Operational Finance and HR Assistant (OFHRA)	Individual payments to any supplier to the value of £5,000 need to be signed by two individuals in the delegated authority column. Cheques or payment notifications must be accompanied by authorised supporting documentation	As necessary
	£5,001 to £50,000	Two signatories including one from the above list plus the Executive Principal	Cheques or payment notification must be accompanied by authorised supporting documentation	
	Above £50,000	Executive Principal and Finance Director	Cheques or payment notification must be accompanied by authorised supporting documentation	
Charge Card	Limited to £5,000	Executive Principal, Operational Finance and HR Assistant (OFHRA)	Must be kept in the safe when not in use. All transactions must be supported by a receipt. Orders should be placed only by card holder. Reconciliation should be checked by someone other than the person who places the orders	Monthly
Standing orders and direct debits	As per limits for cheque or BACs payments	As per limits for cheque or BACs payments	As per limits for cheque or BACs payments	As necessary



## 4. Purchases and Payments continued

Role	Value	Delegated Authority	Method	Review Period
Liabilities and Write-Offs	1% of total annual income or £45,000 (whichever is smaller) per single transaction	Executive Principal	Anything above these limits must be approved by Secretary of State through the EFA	Annual
Purchase or sale of any freehold property	Any	EFA approval required		Annual
Granting any leasehold or tenancy agreement				
Taking up any leasehold or tenancy agreement for more than three years				



# 5. Wages and Salaries

Role	Value	Delegated Authority	Method	Review Period
Appointment of Staff	Up to senior Leadership team	Executive Principal, Heads of School, HR manager		Annual
	Head of School , Deputy Head	Executive Principal, HR manager, Board representative		
	Executive Principal	Board of Directors		
Payroll Processing		Operational Finance and HR Assistant (OFHRA) and Executive Principal	Operational Finance and HR Assistant (OFHRA) to check monthly payroll and make any necessary changes or adjustments. Monthly payroll and any changes must be authorised and signed off on by the Executive Principal. Payroll reports and payments made will be checked and agreed by the finance consultant on a monthly basis	Monthly
Contracts of employment		HR manager or delegated administration assistant	All employee contracts need to be kept up to-date. Any contract changes need to be authorised by the appropriate authority level as per (Appointment of staff) authority and filed in the staff members file. These contracts will be periodically checked by the responsible officer and the auditors	As required

## 6. Assets

Role	Value	Delegated Authority	Method	Review Period
Fixed asset register	£1,000	Operational Finance and HR Assistant (OFHRA) or ICT support team or Site Manager	All assets to the value of £1,000 either individually or as a group will need to be recorded in the asset register	Monthly and annually

## 7. External Finance Audit

Role	Value	Delegated Authority	Method	Review Period
Carry out Audit (Hallidays) Prepare and submit statutory returns for 31 December	£ 800 per day Approx. £10,400		<ul style="list-style-type: none"> <li>• Consists of 4 days Interim audit visit</li> <li>• Pre accounts visit 2 days</li> <li>• Prep for statutory accounts 4-5 days</li> <li>• Final audit visit 1-2 days</li> </ul>	Annually
Prepare and submit accounts submission cover (ASC) to the EFA by 31 January (online)	£800		1 day	



## 8. Internal Finance Audit

Role	Value	Delegated Authority	Method	Review Period
Control systems adopted to ensure internal accounting management procedures are sound	£12 per hour (total per term = TBC)	Internal Audit (Joanne Clark)	1 day across both academies once a term for financial audit	Termly

## 9. Strategy

Role	Value	Delegated Authority	Method	Review Period
Develop overall mission and vision statement for the Trust		Executive Principal and Board of Directors	Heads of School and SLT will develop a curriculum development plan annually that supports the direction of the Trust	Monthly and annually



# 10. Health and Safety

Role	Value	Delegated Authority	Method	Review Period
Develop consistent H&S policies across the Trust		Trust Estates Manager and Heads of Schools	Develop consistent policies across each site	Annual
Ensure maintenance checks and risk assessments (e.g. fire) of all equipment and areas of use are carried out annually (or as required)	SLA amounts varied	Site Manager of academy and Sovereign Trust Estates Manager Executive Principal	Purchase SLA's to ensure H&S compliance checks are in place sourcing best value. Obtain 3 quotes for essential work to be carried out, make best value decision	
Contracts of employment	Dependent upon plan	Site manager Sovereign Trust Estates manager	Develop procedures and plans for appropriate and timely maintenance work. Consult with Heads of Schools to discuss necessary funding and desired funding projects	



## 11. ICT

Role	Value	Delegated Authority	Method	Review Period
Develop an ICT Plan at each academy to ensure accessibility for all learners and sustainability	Manor Academy £40,000 per year Pictor Academy £10 -15,000	Heads of Schools and SLT	Consult with SLT and external ICT support team to ensure sustainability. Assess best value for money. Ensure links to Development Plan	Annually
Submit Plan to Executive Principal for discussion and approval at budget setting time		Executive Principal Finance Director	Discuss with Heads of Schools Assess sustainability of the plans. Approve plans	

## 12. HR

Role	Value	Delegated Authority	Method	Review Period
Develop, Review and amend HR policies in light of new developments		HR manager	Keep up to date with changes and statutory demands. Approval at Board. Reflect upon trends and required changes across the Trust to ensure sustainability (e.g. staff attendance policy)	Every three years





# I 3. Safeguarding

Role	Value	Delegated Authority	Method	Review Period
Develop consistent policies across the Trust that ensures compliance		Designated safeguarding leads Heads of School Advisory Committee	Keep up to date with changes and statutory demands. Approval at Board Adapt policies to ensure compliance	Annually
			Board to monitor compliance via named safeguarding advisors report	Termly
Ensure training for staff and legal compliance	£ TBC	Designated safeguarding leads Heads of School	Arrange and / or deliver Level 1 training to staff Designated leads to access training at the appropriate level	Every two years