



Scheme of Financial Delegation

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| Committee: | Finance & Resources Committee |
| Approved on: | Feb 2020 |
| Next review date: | Feb 2021 |

The purpose of the Scheme of Financial Delegation is to ensure that we maintain (and where necessary develop) systems of financial control which conform with the requirements of both propriety and good financial management. It is a requirement that our financial systems operate properly in order to meet the condition of our master funding agreement and to meet the principles of financial control as set out in the Academies Financial Handbook. The Scheme of Financial Delegation is designed to clarify who is responsible for what regarding all our financial matters. The Scheme of Financial Delegation should be read in conjunction with the following documents:

- Governance Scheme of Delegation (covering all matters related to governance including; risk management, responsibilities of Trustees, whistleblowing)
- Financial Regulations manual
- Academies Financial Handbook

Academy Transformation Trust - Scheme of Financial Delegation 2020

| *Roles: - A = Approve/Authority/Authorisation R = Day to day responsibility S = Support to the Role "R"/Inform C = Consultation required before authorisation M= Monitor on regular basis | Trustee Board & Committees | Accounting Officer (CEO/AO) | Chief Operations Officer (COO) | Chief Financial Officer (CFO) | Financial Controller (FC) | H.R. (HR Director) | Estates & Procurement (Director of Estates & Procurement) | IT (IT Director) | Principal | Heads of Finance (or staff as appropriate) | Budget Holders / Line Managers (or staff as appropriate) |
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| 1. Accounting & Financial Governance | | | | | | | | | | | |
|--|--|---|---|---|---|---|---|---|---|---|---|
| a) Appointment of external auditors. Members appoint | A (members) | C | | R | S | | | | | | |
| b) Appointment of internal auditors. | A (ARC) | C | | R | S | | | | | | |
| c) Receive and sign off the annual statutory accounts and report. Members receive | A | C | | R | S | | | | | | |
| d) Approve the Financial Regulation Policy and Scheme of Financial Delegation (SOFD). | A (FRC) | C | C | R | S | | | | | | |
| e) Establish proper financial controls through the provision of the approved Financial Regulation Policy and SOFD. | M (ARC) | S | S | A | R | S | S | S | S | S | S |
| 2. Budget Setting | | | | | | | | | | | |
| a) Prepared and approve the annual budget for ATT | A (FRC) | C | S | R | S | S | S | S | S | S | S |
| 3. Financial Management & Budgetary Control | | | | | | | | | | | |
| a) Virements within a budget holders budget headings (i.e. within their own budget – no limit) | | | | | | S | S | S | S | R | S |
| b) Virements between academy budgets (i.e. between academy A and B) and/or operational budgets | | | | A | C | S | S | S | S | R | |
| c) Approve new in year budget requests (no minimum limit). | M (FRC 'A' if over whole Trust budget) | C | C | A | C | S | S | S | S | R | |

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| d) Monitor income, expenditure, cash flows and balance sheet of ATT & prepare monitoring reports. (Balance sheet includes the preparation (by the HOF's), review (by the FC) and authorisation (by the CFO) of monthly reconciliations by week 3 following month end) | M | M | A | M | R | S | S | S | | S | |
| e) Monitor income and expenditure of the individual Academy and Operational performance and prepare monitoring reports. | | | M | M | R | S | S | S | S | S | |
| f) Ensure overall Academy and Operational budgets are effectively managed on a day-to-day basis. | | M | M | M | M | R | R | R | R | S | S |
| 4. Reserves | | | | | | | | | | | |
| a) Approval of Reserves Policy. | A (FRC) | C | | R | S | | | | | | |
| 5. Banking & Treasury Management | | | | | | | | | | | |
| a) Open and close bank accounts and approve bank mandates | A (FRC) | C | | C | R | | | | | | |
| b) Approve the Treasury Management Policy. | A (FRC) | C | | C | R | | | | | | |
| c) Manage cash flows | M | C | | A | R | | S | S | | S | |
| d) Transfer of funds to high interest accounts in line with agreed investment policy/current practice. | M | C | | A | R | | | | | | |
| 6. Funding | | | | | | | | | | | |
| a) Monitor monthly education grant income, ensuring it is in accordance with the ESFA's funding notification and investigate any variances. | | | | M | M | | R (capital) | | | R | |
| b) Establish and review the | A (FRC) | C | S | R | S | | | | S | | |

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| Charging and Remissions policy and agreeing criteria for financial help for pupils. | | | | | | | | | | | |
| c) Approve other grants & specific funding (i.e. sports grants, donations, new lettings strategy) | A (FRC) | C | C | A | S | S | S | S | S | R | |
| 7. Ordering, Purchasing and Procurement (including leases) | | | | | | | | | | | |
| a) Approve the Procurement Policy and related procedures. | A (FRC) | C | R | C | S | | S | | | | |
| b) Encourage and facilitate the use of appropriate procurement frameworks and ensure compliance with EU procurement rules. | M (FRC) | A | S | C | S | | R | R | | R | |
| c) Quotes & tenders (exc. VAT) – revenue expenditure (education budgets) | | | | | | | | | | | |
| Purchase £0-£10,000 <i>(one written quote or evidence of price to achieve Value for Money)</i> | | | | | C | | | | S | A | S |
| Purchase £10,001-£40,000 <i>(evidence two price comparisons to achieve Value for Money)</i> | | | | A | C | C (if related to non-teaching e.g. agency) | C (for group wide procurement) | C (if related to IT spend) | S | R | S |
| Purchase £40,001- to EU procurement thresholds – currently £189,330 <i>(A formal tender process – 3 quotes required)</i> | | A | C | C | S | C (if related to non-teaching e.g. agency) | C (for group wide procurement) | C (if related to IT spend) | S | R | S |
| Purchases above EU procurement threshold <i>(Follow OJEU procurement process – refer to Procurement Policy)</i> | A (FRC) | A | C | C | S | C (if related to non-teaching e.g. agency) | R (for group wide procurement) | C (if related to IT spend) | S | S | S |

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| d) Quotes & tenders (exc. VAT) – revenue expenditure (operational budgets) | | | | | | | | | | | |
| Purchase £0-£10,000 <i>(one written quote or evidence of price to achieve Value for Money)</i> | | | | | C | S | S | S | | A | |
| Purchase £10,001-£40,000 <i>(evidence two price comparisons to achieve Value for Money)</i> | | | | A | C | C | C | C | | R | |
| Purchase £40,001- to EU procurement thresholds – currently £189,330 <i>(A formal tender process – 3 quotes required)</i> | | A | C | C | S | C | C | C | | R | |
| Purchases above EU procurement threshold <i>(Follow OJEU procurement process – refer to Procurement Policy)</i> | A (FRC) | A | C | C | S | C | R | C | | S | |
| e) Quotes & tenders (exc. VAT) – revenue expenditure (capital) | | | | | | | | | | | |
| Purchase £0-£10,000 <i>(one written quote or evidence of price to achieve Value for Money)</i> | | | | | A | | R | R | | | |
| Purchase £10,001-£40,000 <i>(evidence two price comparisons to achieve Value for Money)</i> | | | | A | C | | R | R | | | |
| Purchase £40,001- £100,000 <i>(A formal tender process – 3 quotes required)</i> | M (FRC) | A | C | C | C | | R | R | | | |
| Purchase £100,001- to EU procurement thresholds – currently £4,733,252 <i>(A formal ITT tender process in the spirit of OJEU including detailed cost and specification – 3 to 5 quotes required)</i> | M (FRC) | A | C | C | C | | R | R | | | |

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| Purchases above EU procurement threshold <i>(Follow OJEU procurement process – refer to Procurement Policy)</i> | M (FRC) | A | C | C | C | | R | R | | | |
| e) Approval to use a new Supplier (along with changes to existing supplier bank details). | | | S | A | A (R Purchase Ledger Team) | S | S | S | | | |

If a contract is for the delivery of goods and services over a period of time (e.g. 3 years in the case of a photocopier lease) then the contract value is for the whole life of the contract as this is the value that is being committed. And the Order should be raised for all possible costs of that contract.

Authorisation and signing of contracts (Values exc. VAT)

All Contracts must be raised in the name of Academy Transformation Trust and not an individual Academy. All contracts must be signed by the approver given in the quotes and tenders above. In the absence of the Accounting Officer/CEO, this may be delegated to the COO or CFO in their absence to sign.

F. Contracts which constitute related party transactions – the CFO (supported by the Head of Corporate Affairs) must approve all related party transactions (subject to the limits stated in the quotes and tenders above) and report these for approval to the FRC.

G. Novel or Contentious Contracts (per ESFA Financial Handbook) – no novel or contentious items can be entered into without the approval of Accounting Officer/Chief Executive Officer and following rules stipulated by the ESFA.

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| a) Novel or contentious contracts | M (FRC) | A | A | A | C | R | R | R | R | S | |
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14. Expenses

| | | | | | | | | | | | |
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| a) Approve a Staff Expenses Policy (including Trustees & Governors). | A (FRC) | C | C | R | S | | | | | | |
| b) Approve Trustee expenses | | | | A | | | | | | | |
| c) Approve CEO expenses | Chair | | | | | | | | | | |
| d) Approve Executive team expenses | | A | | | | | | | | | |
| e) Approve Principal's expenses. | | | | A | | | | | | | |
| f) Approve local academy staff expenses | | | | | | | | | A | | |
| g) Approve operational staff expenses (line manager) | | | A | A | A | A | A | A | | A | |
| h) Approve Local Governors Expenses | | | | | | | | | A | | |

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| 15. Paying Suppliers, Staff & Third Parties | | | | | | | | | | | |
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| a) From the ATT Current Accounts | <i>Any two Authorised Bank Signatories (for BACS)</i> | | | | | | | | | | |
| 16. Charge Cards | | | | | | | | | | | |
| a) Overall ATT policy. | A (FRC) | C | | C | R | | | | | | |
| b) Overall charge card limits | | | | A | R | | | | | | |
| c) Approve limit per transaction. | | | | A | R | | | | | | |
| d) Approve posts that can hold a card. | | | | A | R | | | | | | |
| e) Authorise and order new cards. | | | | A | R | | | | S | S | |
| 17. Staffing & Payroll | | | | | | | | | | | |
| a) To define and adopt organisational development strategy, employment policies and procedures. | A (PAPP) | C | C | | | R | | | | | |
| b) Approve the teaching and support staff structure for the Academy; ensuring it is affordable and inline with ICFP targets | | A | C | C | C | C | | | R | C | |
| c) Define and budget for any overarching management structures at ATT – i.e. any central Team employed | | A | R/C | R/C | S | S | S | S | S | S | |
| d) Approve a Curriculum Policy ensuring that it is appropriate, broad, balanced and affordable. | M (SOC) | A (with RED's) | | | | | | | | | |
| e) Appointment of permanent staff outside of ICFP as per the approved budget. | | | | | C | A | | | R (with RED's) | C | |
| f) Staff severance payments: <u>contractual</u> to £25,000. | | | A | A | | C | | | R | C | |
| g) Staff severance payments: <u>contractual</u> above £25,000. | | A | A | A | | C | | | R | C | |
| h) Staff severance payments: <u>non contractual/non-statutory</u> to £50,000. | A | A | A | A | | C | | | R | C | |
| i) Staff severance payments: <u>non-contractual/non-statutory</u> over £50,000. ESFA to authorise. | A | A | A | A | | C | | | R | C | |
| j) Approve applications for early retirement, secondment and leave of | | | A | C | | R | | | | C | |

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| absence or make recommendations in line with policy. | | | | | | | | | | | |
| k) Approve Annual Pay Award (Teachers and Support staff). | A (PAPR) | C | C | | | R | | | | | |
| 18. Fixed Assets | | | | | | | | | | | |
| a) Dispose of assets (excluding land and buildings) with an estimated market value of: (note: Public sale, best price required with 3 offers for assets over £10k. All disposals of land and buildings require ESFA approval). | | | | | | | | | | | |
| Up to £5,000 | | | | | A | | R | R | | | |
| £5,001 to £40,000 | | | C | A | C | | R | R | | | |
| Above £40,001 | M (FRC) | A | C | C | C | | R | R | | | |
| 19. Liabilities & Write-offs | | | | | | | | | | | |
| a) Write off up to £45,000 in a single transaction. Overall cumulative maximum of £250,000. | A (FRC over £45k) | A To £45k | | A To £5k | A To £1k | | | | | | |
| 20. Gifts & Hospitality and Donations | | | | | | | | | | | |
| a) <u>Make</u> gifts and donations within the terms of the Gifts and Hospitality Policy. £25 (max) for infrequent gifts - Approval COO for operational budgets - Head of Education Finance for education budgets | | | A | C | | | | | | A | |
| 21. Educational Visits | | | | | | | | | | | |
| a) Preparation of annual report to Executive board on income/expenditure per educational visit received in the year (in line with Policy). | M (FRC) | | C | C | S | | C | | S | R | S |