



Financial Scheme of Delegation October 2021

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Approved by the Board of Trustees, 13 October 2021

Academy Transformation Trust - Financial Scheme of Delegation

Committee: Board
 Approved on: 13 Oct 2021
 Next review date: Nov 22

Ref	Delegation area	Description	ESFA	Trustee Board & Sub committees	Accounting Officer (CEO)	Chief Finance & Operating Officer (CFOO)	Director of Corporate Affairs (DOCA)	Head of Financial Control & Risk Mgmt (HFCRM)	HR Director (HRD)	Director of Operations (DoO)	National Education Director (NED)	Finance *	
1	Banking & Treasury Management	a Open and close bank accounts and approve bank mandates		A (FRC)	R	R							
2	Procurement (revenue funding)	a Approve the Procurement Strategy		A (FRC)						R			
		b Quotes/tenders/frameworks (procurement by a framework deal "Find a Tender" should be used in the first instance for all procurement activities; thus achieving value for money. Group deals that are already in place should be checked by the individual recommending a purchase prior to presenting the request to approve)											
		- Purchases below £10,000 (one written quote or framework deal)											A
		- Purchases between £10,001 to £40,000 (two written quotes or framework deal)					A						R
		- Purchases between £40,001 to £189,229 (three written quotes or framework deal). Where the procurement is new or contentious to the Trust then a formal written tender process must be performed.			M (FRC)	A	A						
		- Purchases £189,330 and above a formal invitation to tender process must be followed; using the "Find a tender" service		A (FRC)	R	R				R			
3	Procurement (capital funding)	a Approve the Estates and ICT strategies (including annual capital plan)		A (FRC)						R			
		b Quotes/tenders/frameworks (procurement by a framework deal "Find a Tender" should be used in the first instance for all procurement activities; thus achieving value for money. Group deals that are already in place should be checked by the individual recommending a purchase prior to presenting the request to approve)											
		- Purchases below £10,000 (one written quote or framework deal)								R			A
		- Purchases between £10,001 to £40,000 (two written quotes or framework deal)						A		R			
		- Purchases between £40,001 to £189,229 (three written quotes or framework deal). Where the procurement is new or contentious to the Trust then a formal written tender process must be performed.			A	A				R			

R = Requester (or authority delegated within directorate structure)
 A = Approver
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* Finance: HOCOF, REFOs, AFC

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			- Purchases £189,331 to £4,733,252 (In the spirit of "Find a tender" service, a formal invitation to tender process must be followed detailed specification with 3 - 5 quotes required)	M (FRC) Subject to 3a	A	A				R		
			- Purchases £4,733,252 a formal invitation to tender process must be followed; using the "Find a tender" service	M (FRC) Subject to 3a	A	A				R		
4	Leasing	a	If a lease is for the delivery of goods and services over a period of time (e.g. 3 year photocopier lease) then the contract value is for the whole life of the contract. All such lease agreements, must be approved, in terms of value, in accordance with sections 2 and 3, and must also be approved in accordance with section 4a; as it must be determined whether the lease agreement is either a finance lease (requiring ESFA approval) or an operating lease	A (finance leases)		A		R		R		R
		b	In additional to ESFA approval for finance leases (section 4a), the following transactions also require prior approval: - taking up a leasehold or tenancy agreement on land or buildings from another party for a term of seven or more years - granting a leasehold interest, including a tenancy agreement, of any duration, on land and buildings to another party	A	A	A				R		
5	Contracts	a	All contracts must be raised in the name of Academy Transformation Trust and not the individual academy. All contracts must be signed by the approver given in section 2 to 4 above. In the absence of the Accounting Officer/CEO, this may be delegated to the CFOO or DOCA in their absence to sign.	As per approvals in section 2 to 4 above								

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6	Acquisition and disposal of fixed assets	a	The following transactions must obtained ESFA prior approval: - acquiring a freehold of land or buildings - disposing of a freehold of land or buildings - disposing of heritage assets, as defined in financial reporting standards, beyond any limits in the finding agreement for the disposal of assets generally. All other acquisition of fixed assets are covered by sections 2 to 4 above	A	A (FRC)	A	A				R		
		b	The disposal of other fixed assets, included on the fixed asset register, not covered by section 6a are subject to the following:										
			- Disposal of assets with an estimated market value (proceeds) up to £5,000		M (FRC)		A		A			R	
			- Disposal of assets with an estimated market value (proceeds) greater than £5,000		A (FRC)	R	R				R		R
7	Novel, contentious and repercussive transactions	a	Novel, contentious and repercussive transactions are: - Novel transactions are those of which the academy trust has no experience, or are outside its range normal business - Contentious transactions are those that might cause criticism of the trust by Parliament, the public or media - Repercussive transactions are those likely to cause pressure on other trusts to take a similar approach and hence have wider financial implications.	A	A (FRC)	A	A						
8	Write-offs and entering into liabilities	a	Writing-off debts and losses are subject to the following delegated limits: - £45k per single transaction; or - Cumulatively a maximum of £250,000 in any financial year per category of transactions. Amounts above this require ESFA approval.	A (For amounts +£45k)	A (FRC - for amounts +£20k)	A (For amounts +£10k)	A			R			
		b	The acceptance of liability by issuing guarantees, a letter of comfort or indemnity must gain ESFA approval	A	A	A	A						
9	Extraordinary circumstances	a	These extraordinary circumstances/transactions/events are those outside of those in section 6, but internally could be deemed to be one-off, unusual or sensitive and are not covered by another any section within the SOD (E.g. insurance/legal claims)										

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	/ transactions / events		- Transactions up to £10,000				A	R			R	R	
			- Transactions £10,001 to £40,000			A	A						
			- Transactions above £40,000		A (FRC)	A	A						
10	Gifts and donations	a	The making of gifts is covered by the Anti-corruption and Bribery Policy.			A	A						
11	Borrowing	a	Borrowing, including finance leases and overdrafts, from any source, where such borrowing is to be repaid from grant monies or secured on assets funded by grant monies, and regardless of the interest rate chargeable, must have ESFA approval	A	A	A	A						
12	Related party transactions	a	Related party transactions include the supply of goods or services to the trust by a related party. A related parties include persons and entities with control or significant influence over the academy trust and key management personnel of the trust.										
			- Transactions up to £20,000		A (FRC)	A	A	A	R		R	R	R
			- Transactions above £20,000	A	A	A	A	A	R		R	R	R
13	Managing General Annual Grant (GAG)	a	The pooling of GAG by trusts with multiple academies is covered by the GAG Pooling & Reserves Policy		A (FRC)	A	R						
14	Staffing and payroll	a	To approve the teaching and support staff structure for the academy; ensuring it is affordable and in line with ICFP trust-wide targets			M	A					A	
		b	To define the overarching central management structure for the Trust; ensuring it is affordable and in line with Trust-wide targets		A (Board)	R	R						
		c	Staff severance payments										
			- statutory/contractual payments to £25,000			M	A			R			
			- statutory/contractual payments over £25,000		M (FRC)	A	A			R			
			- Non-statutory/non-contractual payments to £50,000		A (FRC)	R	R			R			
			- Non-statutory/non-contractual payments £50,000 or more	A	A (FRC)	R	R			R			
			- If the total exit payment (including non-statutory/non-contractual payment) is £100,000 or more; and/or the employee earns over £150,000	A	A (FRC)	A	A			R			

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	d	To approve the executive pay of the CEO	A (BOARD)								
	e	To approve the pay and performance increments of senior executives (Principals and above).	A (REMCOM)	R	R			R			
	f	To approve the annual cost of living increase	A (REMCOM)	R	R			R			