



Scheme of Financial Delegation

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SCHEME OF FINANCIAL DELEGATION

1) Budgeting

Delegated Duty	Value	Delegated Authority	Method
Setting the budget for the Trust	N/A	<p>Draft: CEO, Director of Business Strategy and Trust Finance Manager</p> <p>Agree: Finance, Audit and Staffing Committee</p> <p>Final Approval: Trust Board</p>	Budget set in line with agreed trust priorities
Setting the academy level budget	N/A	<p>Draft: Principal / Head of School and academy Finance Manager / Business Manager or equivalent</p> <p>Agree: Principal, CEO, Director of Business Strategy and Trust Finance Manager</p> <p>Approval of budget for submission to MAT: Local Governing Body</p> <p>Final approval of academy budget: Trust Finance, Audit and Staffing Committee and Trust Board</p>	Budget set in line with agreed trust and academy priorities

2) Purchases, Payments and Expenditure

Delegated Duty	Value	Delegated Authority	Method
Ordering goods and services within the approved budget and ensuring that sufficient cash resources are available for the purchase	Single order up to the value of £5,000	Academy Finance Manager / Business Manager (or equivalent, or designated person) to process order on PS Financials	Budget heading to be checked to ensure affordability. Order processed on PS Financials and dual authorised by Principal / Head of School. The order is placed securing value for money and using a preferred supplier wherever possible



	Single order between the value of £5,001-£30,000	Academy Finance Manager / Business Manager (or equivalent or designated person) to process order on PS Financials	As above plus minimum of three quotes sought before order is made and preferred supplier agreed by Principal / Head of School
	Single order between the value of £30,001-£50,000	As above plus CEO and / or Director of Business Strategy signature on order form	Competitive tendering process is carried out as per the Competitive Tendering Policy
	Single order between the value of £50,001-£100,000	As above plus Trust Finance, Audit and Staffing Committee approval of purchase which is minuted in a relevant meeting or approval confirmed via email.	Competitive tendering process is carried out as per the Competitive Tendering Policy
	Single order over the value of £100,000	As above plus Trust Board of Directors to approve the order before processing. Confirmation of approval to be minuted in a relevant meeting or via email.	Competitive tendering process is carried out as per the Competitive Tendering Policy. This also may include inviting tenders on OJEU depending on the value
Goods received	N/A	Academy Receptionist / Administrative Assistant to receive goods	<p>All goods are checked upon delivery and goods received note is ticked and signed to confirm receipt. This is then passed to the Academy Finance Manager / Business Manager (or equivalent) within the academy.</p> <p>Any damaged or non-required goods are returned by the Academy Finance Manager / Business Manager (or equivalent) once notified by the goods receiver.</p>



Payments by BACS, Cheque or Bank Transfer	Single transaction of up to £5,000	Two authorised signatories on BACS report	Processed Academy Finance Manager / Business Manager (or equivalent) after checking there are sufficient funds in the bank
	Single transaction of up to £5,001 - £20,000	Three authorised signatories on BACS report	Processed by Academy Finance Manager / Business Manager (or equivalent) after checking there are sufficient funds in the bank
	Single transaction of up to £20,001 - £100,000	Two authorised signatories plus Director of Business Strategy or CEO on BACS report	Processed by Academy Finance Manager / Business Manager (or equivalent) after checking there are sufficient funds in the bank
	Single transaction of up to £100,001 and over	Director of Business Strategy and CEO signatures on BACS report	Processed by Academy Finance Manager / Business Manager (or equivalent) after checking there are sufficient funds in the bank
Standing orders and direct debits	As per limits for cheque and BACS payments (authorisation sought at the time of setting up the standing order / direct debit and signature obtained)		
Academy Procurement Cards	Monthly limit £1,000	Authorised cardholders within academies	All transactions must be supported by a receipt and given to the Academy Finance Manager / Business Manager (or equivalent) for reconciliation in line with procedure for use of academy procurement cards.
Petty cash	Up to £50	Academy Finance Manager / Business Manager (or equivalent)	Pre-approval from the Principal or Head of School is needed before any purchases take place. All transactions must be supported by a VAT receipt and given to the Academy Finance
	£51-£120 (to cover cost of school transport)	Academy Finance Manager / Business Manager (or equivalent)	



	for educational visits only)		Manager / Business Manager (or equivalent) with a petty cash form which has also been authorised by the Principal or Head of School – this is in line with the Petty Cash Procedure.
Virements (Requests for spend in excess of approved budget heading but within overall approved budget for the Academy)	Up to £10k	Principal or Head of School (signature to be obtained for audit purposes)	All requests should be recorded in writing (either email or in formal minutes) Formal response to request also provided back to the request maker in writing and kept on file.
	£10,001-£50,000	As above, plus CEO and Director of Business Strategy (signature to be obtained for audit purposes)	
	Over £50k	Finance, Audit and Staffing Committee and Board of Directors (decision minuted for audit purposes)	
Requests for spend in excess of approved budget heading AND outside the overall approved budget for the academy	Any	CEO and Director of Business Strategy take request to Finance, Audit and Staffing Committee. Decision minuted for audit purposes.	Refer to Reserves Policy

3) Income

Delegated Duty	Value	Delegated Authority	Method
Collection and receipt of cash and cheques	Any	Receiver to pass immediately to Academy Finance Manager / Business Manager (or equivalent)	All cash collected is stored in the academy safe until banking. Receipts are given for all cash and cheques received and a copy kept for academy filing.
Banking of cash and cheques	Any	Academy Finance Manager / Business Manager (or equivalent) or other delegated Administration Assistant	Cash and cheques should be banked regularly and should not be allowed to accumulate over £3,000. Banking should be checked and agreed by another member of staff before being banked and should relate back



			to receipts issued. All cash and cheques, once bagged appropriately should be transported to the bank by the academy's security contractor. In the event of the need to bank monies outside of this arrangement, two members of staff should travel to the bank together as per the Trust finance policy.
Sales Invoices	Any	Academy Finance Manager / Business Manager (or equivalent) to raise invoice on PSF.	All sales invoices must be processed through the financial management system and issued in a timely manner.
Income by bank transfer: GAG funding, LA funding, etc	Any	Academy Finance Manager / Business Manager (or equivalent) to process on PSF as part of monthly bank reconciliation process.	All income (except core GAG funding) received directly to the academy's bank account should be supported by a remittance advice. Where a remittance is missing, the Academy Finance Manager / Business Manager (or equivalent) should contact the sender and request an email detailing the nature of the income.

4) PSF User Maintenance and Financial Accounting

Delegated Duty	Value	Delegated Authority	Method
Setting up new users of PSF	N/A	Director of Business Strategy and Trust Finance Manager	All new users to be given appropriate access levels
Setting up new suppliers on to PSF	N/A	Trust Finance Manager	
Month end procedures / monthly management accounts: <ul style="list-style-type: none"> Salaries and NI / Pensions inputting VAT returns Bank reconciliation 	N/A	Trust Finance Manager	Academy Finance Manager / Business Manager (or equivalent) to provide monthly staffing changes information to inform month end procedures. Monthly budget variation reports to be shared with Principal or Head of School before being shared with governors.



<ul style="list-style-type: none"> • Opening / closing VAT periods • Production of budget variance report for Governors 			
Producing monthly MAT budget variance reports for Trustees	N/A	Trust Finance Manager / Director of Business Strategy	
Preparation and filing of annual reports and accounts with Companies House	N/A	Hartshaw Accountants in partnership with Director of Business Strategy and Trust Finance Manager	
Annual auditing of accounts and audit report	N/A	Hartshaw Accountants (independent auditors)	
Maintenance of the Fixed Asset Register	All	Trust Finance Manager in liaison with Facilities Manager	All assets to the value of £2,000 either individually or as a group will need to be recorded in the asset register

5) Wages and Salaries

Delegated Duty	Value	Delegated Authority	Method
Appointment of Staff	Up to Senior Leadership Team	Principal or Head of School	As per the Trust's Recruitment and Selection Procedure
	Deputy Principal	Principal or Head of School, Chief Executive Officer, Director of Business Strategy and 1x Trustee or Governor	As per the Trust's Recruitment and Selection Procedure
	Principal	Chief Executive plus 2x Trustees and 1x Governor	As per the Trust's Recruitment and Selection Procedure



Payroll Processing	N/A	CAPITA Payroll Service Provider	School HR / Business Manager to liaise with payroll to ensure any staffing changes are communicated. These changes are signed as per 'appointment of staff' before they are made on the capita system.
Contracts of Employment	All	School Business Manager / HR Manager or equivalent	All contracts of employment should be kept up to date. Any contractual changes need to be authorised by the appropriate level as per 'appointment of staff' and filed in the member's file. These contracts will be periodically checked by the responsible officer and the auditors.
Dismissal of staff	Up to but not including Deputy Head level	Principal or Head of School plus Chair of Local Governing Body	Dismissal notice from academy with letter of dismissal being administered by the Trust
	Deputy Head	Principal or Head of School plus Chair of Local Governing Body and CEO	Dismissal notice from academy with letter of dismissal being administered by the Trust
	Principal	Chief Executive Officer and representation from Trust Audit, Finance and Staffing Committee and or Trust Board	Dismissal notice and letter administered by the CEO Appeals to be managed by Trust Board.

6) Non Routine Transactions

Delegated Duty	Value	Delegated Authority	Method
Liabilities and Write-Offs	1% of total annual income of £45k (whichever is smaller) per single transaction Cumulatively, 2.5% of total annual income in any one financial year	Principal, CEO and Director of Business Strategy	Anything above these limits must be approved by the Secretary of State through the EFA



	<p>per category of transaction for any ATs that have not submitted timely, unqualified financial returns for the previous two years. This includes new academies that have not had the opportunity to produce two years of financial statements.</p> <p>Cumulatively, 5% of total annual income in any one financial year per category of transaction for any ATs that have submitted timely, unqualified financial returns for the previous two financial years.</p>		
The purchase or sale of any freehold property	Any	EFA approval only	Must be approved by the EFA
Granting any leasehold or tenancy agreement	Any	EFA approval only	Must be approved by the EFA
Taking up any leasehold or tenancy agreement for more than three years	Any	EFA approval only	Must be approved by the EFA
Writing off bad debts	Up to £2,000	CEO	Report to Finance, Audit and Staffing Committee
	Over £2,000	As above plus EFA approval if it breaches delegated limits in AFH	



Disposal of moveable assets (e.g. items on inventory)	Up to £2,000	Principal or Head of School	With report to Governors and amendments made to academy inventory
	£2,000 - £9,999	Principal / Head of School and CEO or Director of Business Strategy	As above
	£10,001-£19,999	As above plus Finance, Audit and Staffing Committee	As above
	£20,000 and above	As above plus approval for assets funded with more than £20k of EFA / DfE grant	As above
Guarantees, Indemnities and letters of comfort	Any	Board of Directors plus EFA	
Ex Gratia payments (good will payments)	Any	Board of Directors plus EFA	
Severance payments / settlement agreements / compensation	Up to £50k	CEO reported to Board of Directors	Trustees should reasonably consider the proposed payment to be in the interests of the trust.
	Over £50k	Board of Directors plus EFA	Trustees should consider whether such a payment is justified, based on a legal assessment of the trust's chances of successfully defending the case at tribunal. If there is a significant prospect of losing the case then a settlement may be justified Any settlement fee must be less than the legal assessment of what the relevant body is likely to award in the circumstances. Staff severance payments must not be made where they could be seen as a reward for failure, such as gross misconduct or poor performance. The only acceptable rationale in the case of gross misconduct would be where legal advice indicates that the claimant is likely to be successful in an employment tribunal claim because of employment law procedural errors. In the case of poor performance, an acceptable comparison would be the time and cost of taking someone through performance management and capability procedures.



			<p>EFA approval is required for proposed severance payments of £50k or more and this must be obtained BEFORE the trust makes any binding settlement offer to staff.</p> <p>Trusts should demonstrate value for money by applying the same level of scrutiny to a payment under £50k as if it were over £50k</p>
Responding to incidents of (or suspected) fraud, theft and / or irregularity	Any unusual or systematic fraud, regardless of value	CEO / Director of Business Strategy / Auditors to notify EFA	<p>Report to EFA:</p> <ul style="list-style-type: none"> - Full details of the event with dates - Financial value of loss - Measures taken by the trust to prevent recurrence - Whether the matter was referred to the policy (and why if not) - Whether insurance cover or the RPA have offset any loss
	Under £5,000 (either individually or cumulatively in any financial year)	CEO / Director of Business Strategy / Auditors to notify Finance, Audit and Staffing Committee	

Authorised Signatories:

Two or Three from the following (according to authority levels outlined above)

Five Rivers Multi Academy Trust	Rebecca Webb Emma Farmer Sheila Sutherland Muriel Eddowes Di Chilvers
Tinsley Meadows Primary Academy	Rebecca Webb Emma Farmer Deborah Sanderson Claire Norman Laura Chambers Esther Bloomer
Abbeyfield Primary Academy	Helen Best Helen Croud Kate Abell Emma Farmer Rebecca Webb

FIVE RIVERS Multi Academy Trust

