

# **Inspiring School Partnership**

## **Scheme of Delegation of Financial Powers**

**Created: June 2017**  
**Approved by Trust Board: 3rd July 2017**  
**Next Review: June 2018**

**Budgeting and Reporting**

Role	Value	Delegated Authority	Method
Budget setting process		Executive Director and Principals/Head Teachers	Agree academy improvement priorities
		Academy Principals / Head Teachers and Leadership Team	Draft budget plan
		Local Governing Bodies	Review budget plan and recommend to Trust Board
		MAT full Board of Trustees	Approve or reject budget  If the MAT board require the Local Governing body to reconsider the budget then the MAT Board must provide a full explanation to the Local Governing Body of its reasons and the timescale by which an alternative budget should be provided.  If the MAT board has lost confidence in the ability of the Local Governing Body to set a budget, it will provide a full written explanation to the Local Governing Body for its judgement. Under these wholly exceptional circumstances, the MAT Executive Director will take responsibility for recommending a budget plan to the board
Budget Holders responsibilities	As per the individual budgets set	Principals / Head Teachers, SLT 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 Management Accounts		Business Manager and Principal / Head Teachers in conjunction with Finance	All transactions to be process 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
Virements	Up to £10,000	Chief Financial Officer	Reported to the Finance Committee
	£10,001 - £50,000	Principals / Head Teachers	Reported to the Finance Committee
EFA Reporting		Principals / Head Teachers, Executive Director/Accounting Officer in conjunction with ISP Auditors and Financial Consultants	An annual Financial Reporting Timetable will be released by the ESFA dates and requirements will be included on this timetable
Collection and receipt of cash and cheques	Any	Business Managers or delegated Finance/Admin 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

Sales Invoices	Up to £10,000	Business Managers	All sales invoices must be processed through the financial management system, and issued in a timely manner
	£10,001 to £50,000	As above plus Principals / Head Teachers	Principal to authorise the issuing of sales invoices above £10,001, and then as above
	Over £50,001	Finance Committee	Finance Committee to approve the issuing of sales invoices above £50,000, and then as above
Banking of cash and cheques	Any	Business Managers or delegated finance/admin assistant	Cash and cheques should be banked on a regular basis and should not be allowed to accumulate above £10,000. 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		Business Managers or delegated finance/admin assistant	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
Petty Cash	£500	Business Managers or delegated finance/admin assistant	Petty cash should be kept in a locked tin and stored in the school safe. Petty cash payments should be kept below £20. 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 Business Manager or responsible officer

## Purchases and Payments

Role	Value	Delegated Authority	Method
Purchase Orders	Up to £1,000	Business Manager, Deputy Business Manager and budget holders	Orders should be placed with approved suppliers unless agreed otherwise with Business Manager or Deputy Business Manager. Orders should be written on approved purchase order requisition 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 approved the order
	£1,001 to £5,000	Budget holders within allocated spend	As above and three quotes must be obtained. These can include both written and verbal
	£5,001 to £10,000	Business Managers	As above and three quotes must be obtained. These can include both written and verbal
	£10,001 to £25,000	Principals / Head Teachers and Chief Financial Officer	As above however minimum three quotes must be written
	£25,001 to £100,000	Finance Committee	Following tendering procedures in Finance Policy
	Over £100,000	Trust Board	Following tendering procedures in Finance Policy
Payment by cheque or bacs	No limit	Two signatories required but must include one from either the Principals / Head Teachers, Business Managers	Cheques or payment notification must be accompanied by authorised supporting documentation
Business Charge Card	Limited to £5k	Principal, Business Manager, Deputy Business Manager, Personal Assistants to SLT if required	Must be kept in a safe place when not in use. All transactions must be supported by an order requisition and VAT receipts/online order confirmation and invoice. Reconciliation should be completed by someone other than the person who places the orders
Standing Orders / Direct Debits	As per the limits of the BACS payments	As per limits for cheque and bacs payments	As per limits for cheques of bacs payments
Liabilities and Write-Offs	Up to £1,000	Business Managers	
	£1,000 to £5,000	Principals / Head Teachers	
	Above £5,001	Finance Committee	
	1% of total annual income or £45,000 (whichever is smaller) per single transaction. Cumulatively, 2.5% of total annual income in any one financial year per category of transaction for any ATs	Principal / Executive Principal	This must be reported at Trustee level. Anything above these limits must be approved by the Secretary of State through the ESFA

	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. 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.		
Purchase or sale of any freehold property	Any	ESFA approval required	
Granting any leasehold or tenancy agreement on land and buildings	Any	ESFA approval required	
Taking up any leasehold or tenancy agreement for more than seven years	Any	ESFA approval required	

## Wages and Salaries

Role	Value	Delegated Authority	Method
Appointment of staff	Executive Director, Principals and Head Teachers	MAT Trust Board	
	Senior Leadership Team	Principal/ Head Teachers in consultation with Executive Director	Approval of all staff appointments within authorised establishment
	Up to Deputy Principal / Head Teacher	Principals / Head Teachers	Approval of all staff appointments within authorised establishment
	Establishment changes	Finance Committee	Authorise permanent head count change to the Academies establishment in excess of the approved budget
Payroll Processing		Business Manager and Principals/ Head Teachers	Business Manager or deputy to check monthly payroll and make any necessary adjustments. Monthly payroll and any changes must be authorised and signed off on by the Business Manager and Principals/Head Teachers. Payroll

			reports and payments made will be checked and agreed by the Business Manager and Principals/Head Teachers.
Contract of employment		Business Manager and Human Resources Manager	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.

## Assets

Role	Value	Delegated Authority	Method
Fixed Asset Register	Over £1,000	Business Manager	All assets to the value of £1,000 either individually or as a group will need to be recorded in the asset register