



# SCHEME OF DELEGATION

(Chapter 16 of FHS Financial Procedures Manual)

The Governing Body is responsible for the financial management of the School to ensure the best education for students. This policy statement specifies the decisions of the full Governing Body with regard to which financial functions it chooses to delegate to a committee and which to an individual. The Governing Body is accountable for all actions taken in its name by individuals or committees to which it has delegated a function. Where responsibility has been delegated, all decisions and actions taken will be recorded. This scheme of delegation is reviewed annually by the Governing Body.

## Academy Trust Members

### *Accounting*

- Consider the annual statutory Academy Trust Accounts and Report.
- Approving Governors' Service Contracts.
- Approve the appointment of external Auditors.
- Approving any shares, loans or debentures.

## Governing Body

### *Accounting*

- Approving the annual statutory Academy Trust Accounts and Report.

### *Assets*

- Writing off unusable or obsolete equipment over the value of £20,000 from the School's Asset Register (except land, buildings as defined in the ESFA Academy Trust Handbook)

### *Audit*

- Setting the terms of reference for the Audit and Risk Committee and Buildings and Finance Committee.
- Appointing independent auditors to audit the School's accounts on an annual basis and ensuring that the external audit contract is re-tendered at least every five years.
- Ensuring the Clerk to the Governors maintains a register of Governors' pecuniary and business interests.

### *Budget*

- Planning the overall school budget including priorities for future expenditure.
- Approving the annual budget.
- Approving transfer between budget headings (virements) of over £20,000.

### *Hiring Premises and Income Generation*

- Approving policy guidelines for hiring out premises and other income generation schemes.
- Writing off debts from the School's debtors between £5,001 and 1% of annual income of £45,000 (whichever is smaller).

### *Investments/Treasury Management*

- Deciding on financial investments on behalf of the School.



### *Remuneration*

- Setting the terms of reference for the Staffing and Curriculum Committee and Remuneration and Benefits Committee.
- Determining the School's Pay Policy.

### *Payments*

- Approving non-statutory/non-contractual severance or compensation payments of between £10,001 and £50,000 in value.
- Approving applications for business/credit cards.

## **Buildings and Finance Committee**

### *Accounting*

- Determining the Academy's accounting policies and procedures.
- Reviewing the annual accounts for presentation to the Governing Body.

### *Assets*

- Writing off unusable or obsolete equipment between the value of £1,001 and £20,000 from the School's Asset Register.

### *Budget*

- Reviewing the annual budget for presentation to the Governing Body.
- Approving transfer between budget headings (virements) between £10,001 and £20,000.
- Notifying the Governing Body of any transfers between budget headings (virements).

### *Governor Expenses*

- Establishing procedures for Governors to claim expenses.

### *Hiring Premises and Income Generation*

- Writing off debts from the School's debtors between £1,001 and £5000.

### *Orders*

- Authorising capital orders within current budget of between £20,001 and £50,000 in value.
- Authorising non-capital orders and contracts for goods, works and services within current budget of between £50,001 and £100,000 in value.

### *Payments*

- Authorising payments of over £50,000 which have not formed part of the approved budget, or are not reviewed as part of a capital project process.

## **Audit and Risk Committee**

- Monitoring the implementation of the School's controls systems and procedures.
- Receiving reports from the Academy's auditors and independent organisation.
- Appoint independent organisation to undertake internal scrutiny.
- Determining any actions to be taken based on recommendations from the Academy's risk register and auditors.

## **Curriculum and Staffing Committee**



#### *Remuneration*

- Approving the School's Pay Policy.

### **Remuneration and Benefits Committee**

#### *Remuneration*

- Approving annual performance related pay progression for employees of the School.
- Approving pay progression for the Headteacher.

### **Headteacher**

#### *Audit*

- Implementing any actions recommended by the Audit and Risk Committee.
- Being an authorised signatory on cheques drawn and approving BACS, salary payments.

#### *Budget*

- Overseeing the preparation of the annual budget.
- Approving transfer between budget headings (virements) up to a maximum of £10,000.
- Notifying the Governing Body of any transfers between budget headings (virements).
- Reviewing the management accounts on a monthly basis.
- Meeting on a regular basis with the Head of Finance to review the annual budget and the management of the budget.

#### *Hiring Premises and Income Generation*

- Approving fee levels for the hiring of facilities.
- Writing off debts from the School's debtors of up to £1,000 in value.

#### *Insurance*

- Approving insurance cover.

#### *Orders*

- Authorising capital orders within current budget up to £20,000.
- Authorising non-capital orders and contracts for good, works and services outside current budget up to £20,000.

#### *Payments*

- Authorising payments of up to £50,000 to individual supplier.
- Approving non-statutory/non-contractual severance or compensation payments up to £10,000 in value.

#### *Remuneration*

- Implementing any actions required by the Staffing and Curriculum Committee.
- Conducting remuneration reviews for all other members of the Senior Leadership Team.
- Preparing proposals for remuneration of all staff following annual appraisal reviews and reporting to the Remuneration and Benefits Committee.
- Authorising overtime payments.

### **Senior Leadership Team (SLT)**

#### *Budget*

- To assist the Headteacher in the management of the annual budget.



- To closely monitor expenditure for cost centres for which individual members of the SLT have Budget Holder responsibilities.

#### *Payments*

- Authorising payments of up to £20,000 in value.

#### *All other matters*

- To deputise in the absence of the Headteacher in the management of the budget and the School's financial affairs.

### **Head of Finance**

#### *Accounting*

- Maintaining accurate, reconciled and up-to-date records.
- Providing financial and statistical information as and when required to the Headteacher and Governing Body.
- Producing accurate and timely monthly management accounts.
- With assistance of external auditors, preparing the annual accounts for authorisation.

#### *Assets*

- Checking the Asset Register (inventory) annually to verify the location, condition and serviceability of each item listed.
- Disposing of unusable or obsolete equipment included on the inventory.
- Maintaining a record of all property borrowed and returned by staff.

#### *Audit*

- Ensuring financial records and related documents are available for inspection by the School's auditors.
- Maintaining a register of staff pecuniary and business interests.
- Providing monthly reconciled bank statements to the Headteacher.
- Being an authorised signatory on cheques drawn and approving BACS payments.
- Informing the Headteacher immediately of any suspicions of financial impropriety by a member of staff.

#### *Budget*

- Assisting the Headteacher in preparing the annual budget.
- Monitoring income and expenditure through the production of management accounts and ensuring corrective action is taken.

#### *Hiring Premises and Income Generation*

- Proposing fee levels for the hiring of facilities.
- Ensuring that income is recorded, receipted, securely stored, promptly banked and properly accounted for.

#### *Insurance*

- Reviewing the School's insurance cover in the light of risk assessment.
- Preparing insurance proposals for the Headteacher's approval.
- Purchasing insurance on the principle of best value.

#### *Orders*

- Preparing tender documents and receiving tenders and quotations.
- Monitoring the efficiency and effectiveness of the purchase order system, linked to invoices.



- Authorising capital orders within current budget up to £20,000 in value.
- Authorising non-capital orders and contracts for goods, works and services within current budget between up to £20,000.
- Authorising non-capital orders outside current budget up to £20,000 in value.

#### *Payments*

- Authorising payments of up to £20,000 in value.
- Monitoring the efficiency and effectiveness of the invoice payment system, linked to orders.

#### *Remuneration*

- Overseeing the School's commitment to the Teachers' Pension Scheme and Local Government Pension Scheme (as the named person for the organisation).

#### *Taxation*

- Ensuring the Academy complies with tax regulations, including VAT and Income Tax.

### **Human Resources Officer**

#### *Remuneration*

- Ensuring salaries and pensions are calculated and paid correctly.
- Ensuring the Academy complies with salaries and pensions regulations.
- Monitoring the efficiency and effectiveness of the School's payroll system.

### **Budget Holders**

#### *Assets*

- Managing security of buildings, furniture, equipment, stock, stores and monies.
- Maintaining an inventory of all moveable items of equipment with a replacement value of £250 or more, and ensuring such items are security marked.

#### *Budget*

- Monitoring and controlling spending to the agreed budgets

#### *Orders*

- Receiving and authorising requisitions from staff.
- Authorising orders within current budget allocation.

#### *Payments*

- Authorising payments up to the limits of their delegated budget.
- Authorising goods received to ordered quantity and quality.

### **Finance Office**

#### *Orders*

- Receiving authorised requisitions from budget holders.
- Preparing orders for authorisation.
- Receiving authorised orders.
- Preparing and distributing approved orders.

#### *Payments*

- Receiving signed delivery notes.
- Receiving and processing invoices.



- Receiving notification that goods have been received to the ordered quantity and quality.
- Preparing invoices for payment.
- Receiving authorisation for payment.
- Preparing and distributing authorised payments to correct person or business.
- Ensuring payments are made in time to avoid penalties.
- Retention and secure storage of invoices, vouchers and other financial records for seven years.



## SUMMARY OF AUTHORISATION LIMITS

Expenditure Limits	
Finance Officer and Finance Assistants	Up to £5,000 on the School's Charge Card
Head of Finance	Up to £9,999
SLT	Up to £20,000
Headteacher	Up to £50,000
Headteacher	Monthly Payroll Authorisation
Buildings & Finance Committee	Between £50,001 and £100,000
Governing Body	Over £100,000

Virement Limits	
Headteacher	Up to £10,000
Buildings & Finance Committee	Up to £20,000
Governing Body	Over £20,000

Writing-off Bad Debts 5.7	
Headteacher	Up to £1,000
Buildings & Finance Committee	Between £1,001 and £5000
Governing Body	Between £5001 and 1% of annual income or £44,999 (whichever is smaller)
ESFA	Above 1% of annual income or above £45,000 (whichever is smaller)

Disposal of Surplus Assets 12.5	
Headteacher	Up to £1,000
Buildings and Finance Committee	Between £1,001 and £20,000
Governing Body	Above £20,000

Staff Severance Payments	
Headteacher	Up to £10,000
Governing Body	Between £10,001 and £50,000
ESFA	Above £50,000 (or any staff severance payment to an employee who earns over £150,000)



<b>Compensation Payments</b>	
Headteacher	Up to £10,000
Governing Body	Between £10,001 and £50,000
ESFA	Above £50,000

<b>Building Repairs and Improvement</b>	
Head of Finance	Up to £10,000
Headteacher	Up to £20,000
Buildings and Finance Committee	Between £20,001 and £50,000
Governing Body	Above £50,000

<b>Mileage Allowance</b>	
Cars and Vans	45p per mile up to 10,000 miles per annum and 25p per mile thereafter
Cars and Vans if shared with other passengers	50p per mile for up to 10,000 miles per annum and 30p per mile thereafter (plus an additional 5p per person per mile)
Motorcycles	24p per mile
Bicycles	20p per mile

<b>Ordering Procedures</b>	
Verbal quotations	Up to £1,000
Single written quotations	Between £1,001 and £10,000
Three competitive written quotations	Between £10,001 and £75,000
Formal tender process (up to public procurement threshold)	Above £75,000

<b>Petty Cash Imprest System</b>	Maximum £50 claim and £50 float
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<b>Safe Limits</b>	£5,000 (Cash)
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