

SCHEME OF DELEGATION OF FINANCIAL POWERS

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1. Introduction

1. The Governing Body (Kickstart Board)

The governing body has wide discretion over its use of the trust's funds. It is ultimately responsible for the proper stewardship of those funds and for ensuring value for money. It must also ensure it uses its discretion reasonably and takes into account any and all relevant guidance on accountability and propriety. It is specifically responsible for ensuring the trust's funds are used in accordance with the law, its powers under the Funding Agreement and the Academies Financial Handbook.

The members of the governing body should also be aware of the statutory duties of company directors, which are set out in the Companies Act and includes the duties to:

- Exercise their powers only for a proper purpose
- Promote the academy's success
- Exercise independent judgement
- Exercise care and skill
- Avoid conflicts of interest

2. The Finance & Audit Committee (F&AC)

The F&AC is a committee of the governing body. The Finance Committee meets at least once per term but more often if deemed necessary. The main responsibilities of the F&AC are:

- Ensuring sound management of finances and resources
- Fulfilling the trust's responsibilities in relation to financial management, risk management and internal control
- Advising the Board on the adequacy and effectiveness of the trust's governance, risk management, internal control and value for money systems and processes
- Advising the Board on the appointment, reappointment, dismissal and remuneration of auditors
- Advising the Board on the audit programme of work and monitor the implementation of resulting actions

3. Accounting Officer

At its meeting in January 2018, the Kickstart Board agreed the Principal of Telford College (as sponsor) would act as the Accounting Officer for the Kickstart Academy/TCAT MAT and has therefore overall responsibility for the academy's activities, including financial activities. The Accounting Officer is personally responsible to Parliament and to the ESFA for the resources under their control. The essence of the role is a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; for ensuring value for money; and for the efficient use of all their resources in their charge. Essentially the Accounting Officer must be able to assure Parliament and the public of high standards of probity in the management of public funds.

Specific responsibilities are:

- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2016 the ESFA guidance issued to academies
- Completion of the accounting officer's statement on governance, regularity, propriety and compliance for inclusion in the trust's annual report
- Attending and advising the Finance & Audit Committee

4. Other references

Regularity – the requirement for all items of income and expenditure to be dealt with in accordance with the legislation authorising them and any applicable delegated authority.

Propriety – the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of Parliamentary control. This includes standards of conduct, behaviour and corporate governance.

Value for money – the educational and wider societal outcomes achieved in return for the taxpayer resources received.

2. Financial Scheme of Delegation

Role	Value	Delegated authority	Method	Frequency
Budget setting	N/A	Senior management team	Agree academy improvement priorities	Annual
		Headteacher	Draft budget plan	Annual
		Telford College ELT	Agree budget plan	Annual
		Finance & Audit Committee	Approve budget plan for submission to the Board	Annual
		Kickstart Board	Approve/reject budget plan	Annual
Budget holder responsibility	Up to budget value	Headteacher	Manage budget throughout the year and ensure no overspend without prior agreement	Monthly
Management accounts	N/A	Director of Finance – Telford College (CFO)	Via agreement for the provision of financial services by the college Produce monthly management accounts for governors as per the forward plan/Handbook requirements	Monthly
Virements	Not applicable at present as only one cost centre used	N/A	N/A	N/A
ESFA reporting	N/A	Senior management team	Report via the annual timetable and any ad-hoc requests	As necessary
Collection and receipt of cash and cheques	Any	Administrator	Receipt any cash received and recorded in ledger Lock away on site cash/cheques until banked	As required
Sales invoices	Any	Headteacher	Process through the financial management system and in a timely manner	As required
Banking of cash and cheques	Any	Administrator	Pass to the college's Finance team to bank on a regular basis and not allow accumulation	As required

Role	Value	Delegated authority	Method	Frequency
			Ensure banking is checked by another staff member and can be reconciled with receipts issued	
Reconciliation of bank account	N/A	Director of Finance (CFO)	Via agreement for the provision of financial services by the college Reconcile at least on a monthly basis by a person not responsible for banking Sign, date and file reconciliations	Monthly
Petty cash	£500 max holding amount	Administrator	Keep in a locked container and store securely Payment values should be kept to a minimum Receipts provided for any claim Pre-approval required from budget holder before expenditure Periodical checks should be undertaken	Weekly
Purchase orders	£0-3,000	Headteacher Chief Financial Officer	Approved suppliers to be used where possible Orders to be placed through financial management system before order placed with supplier	As required
	£3,001-24,999	Chief Financial Officer Vice Principal (TC)	As above plus three quotes required	As required
	£25,000-£217,561 (greater amounts referred to The Public Procurement Directives)	Chief Financial Officer Accounting Officer	As above plus full tendering process and governing body notified	As required

Role	Value	Delegated authority	Method	Frequency
Payment by cheques or BACS	All values	Two signatories required – Chief Financial Officer and Accounting Officer	Payments only processed with accompanying documentation	As required
Charge card	£3,000 limit	Administrator (through the Headteacher)	Kept in safe when not in use Transactions must be supported by a receipt Orders only to be placed by cardholder Reconciliation undertaken by someone other than the person placing orders	As required
Liabilities and write-offs	£250,000 max: - 1% of total annual income or £45k (whichever smaller) per single transaction - Cumulatively 2.5% of annual income in one financial year per category of transaction for any trusts not submitting timely, unqualified financial returns for 2 years - Cumulatively 5.0% of annual income in one financial year per category of transaction for any trusts submitting timely, unqualified financial returns for 2 years	Accounting Officer	As outlined in the Academies Financial Handbook Amounts above this referred to the Secretary of State via the ESFA	Annual
Purchase/sale of freehold property	Any	ESFA approval required	N/A	As required
Granting any leasehold or tenancy agreement	Any	ESFA approval required	N/A	As required

Role	Value	Delegated authority	Method	Frequency
Taking up any leasehold or tenancy agreement for more than 7 years	Any	ESFA approval required	N/A	As required
Fixed asset register	£1,000	Headteacher	Assets over the value of £1k (either individually or as a group) recorded in the asset register	Monthly and annually
Appointment of staff	Headteacher	Vice Principal (TC)	Following agreed recruitment and selection policies and procedures	As required
	Wider staff team	Headteacher	Following agreed recruitment and selection policies and procedures	As required
Payroll processing	N/A	Director of HR, Telford College	Changes signed off by Headteacher Necessary changes/adjustments actioned	Monthly
Contracts of employment	N/A	Director of HR, Telford College and Headteacher	Contracts kept up to date Changes authorised by Headteacher and copy placed in staff file	As required
Severance payments	Less than £50k	Chair of the Kickstart Board and Accounting Officer	Reflecting the college's Scheme of Delegation	As required
Severance payments	£50k or more (or where employee earns £150k+)	Internal – Kickstart Board External – ESFA prior approval required	Reflecting the college's Scheme of Delegation and the Academy Trust Handbook	As required