



Scheme of Financial Delegation – September 2023

Definitions:

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| Chair of Governors (Chair) | Mr J Dover |
| Head Teacher | Mr J Dalziel |
| Vice Chair of Governors | Mr A Berkeley |
| Treasurer | Mr S Kaye |
| School Business Manager | Mrs N Gardiner |
| Financial Administrator | Mrs L Rose |

The Chair of Governors and Treasurer will ensure that all procedures comply with the financial regulations and standing orders of the Academy.

1) Setting the Annual Budget

In accordance with Academy's scheme the school budget must be approved by the full governing body.

The Chair of Governors will be responsible for providing, in consultation with the School Business Manager, the financial administrator and Treasurer, adequate financial information and forecasts to enable the Finance, Audit & Resources Committee of the governing body to approve a budget plan for recommendation to the full governing body.

2) Budgetary Control

The School Business Manager in consultation with the Headteacher will have responsibility for

- a) profiling likely income and expenditure.
- b) ensuring appropriate accounting records are maintained within the school, based on committed expenditure.
- c) reconciling these accounting records to the principal accounts.
- d) providing regular financial reports to the Audit & Resources Committee and ultimately the governing body giving information about spending against the approved budget.

3) General Purchasing

The authority to place orders will be limited as follows;

- a) There will be limits for the purchase of individual items which can be authorised by the Headteacher (as per note below), provided that the costs can be met from the school budget. These limits will be reviewed annually.

- b) There will be a limit for the purchase of individual items which can be authorised by the Finance, Audit & Resources Committee, provided that the costs can be met from the school budget. This limit will be reviewed annually.
- c) Purchases above this figure should be authorised by the Audit & Resources Committee and the Governing Body, within the limits set in the budget for the relevant year.
- d) The Headteacher must not enter, on behalf of the governing body, into any lease, hire purchase or similar agreement, without the approval of the Chair or the Treasurer.
- e) The School Business Manager and the Financial Administrator will ensure that the relevant tendering processes are followed where necessary. In circumstance where a quotation is accepted under delegated authority by the Governors, which is other than the lowest received, the Financial Administrator must report the circumstances to the Headteacher, the Chair and the Treasurer.
- f) Over and above the standard process, Chair or the Treasurer or a governor delegated by them must approve all orders.

4) Ordering Goods and Services

Before any order over £500 is processed, it requires the approval of the Headteacher. Any order (whether below or over £500) which is not included in the pre-approved annual school budget, requires approval of both the Headteacher and Finance, Audit & Resources Committee.

- a) Written pre-numbered orders should be used for all goods and services except utilities (e.g. water, electricity, gas), rents, rates and petty cash payments.
- b) Orders should be used only for goods and services provided to the school.
- c) Individuals must not use official orders to obtain goods and services for their private use.
- d) Order forms should be properly completed and totaled below the last item or service ordered, so as to prevent alteration. Copy orders should be securely retained in number order.
- e) Only staff approved by the governing body should certify orders. The school should maintain a list of these staff.
- f) The signatory of the order should be satisfied that the goods or services ordered are appropriate and needed, that there is adequate budgetary provision and that quotes or tenders have been obtained if necessary.
- g) To enhance budgetary control and cash flow planning, the school should establish a system which enables accurate identification of expenditure already committed i.e. orders placed for which payments have yet to be made. On placing an order, the estimated cost should be committed against the appropriate budget allocation so that it features in subsequent budget monitoring.

5) Payment of accounts

The School Business Manager and Financial Administrator will ensure that:

- a) The school makes checks of goods and services upon receipt, to ensure that they are in accordance with the order. Ideally the check should be carried out and be recorded on the order delivery note and on the invoice.
- b) Payment should not be made unless a proper invoice has been received, checked, coded and certified for payment confirming that:
 - i) receipt of goods or services, cross-referenced to the order number
 - ii) expenditure has been properly incurred and that payment has not already been made
 - iii) prices accord with quotations, tenders, contracts or catalogue prices and arithmetic is correct
 - iv) the invoice is correctly coded
 - v) there has been correct accounting of VAT
 - vi) copy orders and inventories have been properly endorsed
 - vii) discounts, where available, have been taken
- c) The school should maintain a list of staff authorised to sign invoices (after orders have been properly approved).
- c) Copies of all invoices passed for payment should be marked, retained and stored securely in number order.

Credit Card – The school credit card shall be kept in a secure location in the school office. Use of the credit card is restricted to the School Business Manager and the Financial Administrator only once they have received a requisition signed and approved by the Head Teacher. The Financial Administrator shall reconcile the monthly statement against the signed requisitions and initial accordingly.

BACS Payments/Bank Transfers – The Head Teacher shall approve all payments by either signed form or email. The payment/transfer shall then be inputted by the Financial Administrator, checked by the School Business Manager and authorised by the Head Teacher.

6) Salaries

- a) The governing body will determine the number, type and point on the relevant pay scale of all staff in accordance with their pay policy, based upon recommendations from the staffing committee.
- b) All appointments of staff will be made by the governing body, this to be delegated to the staffing committee whenever permissible. The Headteacher will make the necessary arrangements to maintain relevant staffing levels in the event of absence through illness, training etc.
- c) The Headteacher together with the School Business Manager and Financial Administrator in conjunction, where appropriate with Governor in charge of

Staffing, will be responsible for the maintenance of adequate personnel records, authorised overtime and ensuring that all payments are made through the payroll and appropriate statutory deductions are made.

- d) The Headteacher together with the School Business Manager and Financial Administrator in conjunction, where appropriate with Governor in charge of Staffing, will be responsible for ensuring that payroll records are monitored to ensure that payments are consistent with those approved by the governing body.

7) Security of Stock and Inventory of Assets

- a) The Headteacher is responsible to the governing body for the safe custody and control of cash and other property belonging to the school.
- b) The Headteacher should ensure that stocks are maintained at reasonable levels and subject to a regular, independent physical check.
- c) Inventories should be maintained of all attractive or portable items e.g. videos, cameras and televisions, with a note of make, model number and serial number where appropriate. Such items should be identified with security marking as belonging to the school.
- d) The Headteacher should arrange for inventories to be checked, at least once per year against physical items. Any discrepancies should be investigated and pursued to a satisfactory conclusion. The Headteacher should report discrepancies over a predetermined sum to the governing body.
- e) Whenever school property (e.g. musical instruments/computers/cameras) is taken off the school site, it should be signed for and a register noted accordingly.
- f) The governing body should authorise all write-offs and disposals of surplus stocks and equipment, in accordance with financial regulations.
- g) Safes and similar receptacles (e.g. cash boxes) should be kept locked and the keys removed, Key holders should normally carry keys on their person and keys should not be left in the vicinity of the secure area. The loss of any keys should be reported immediately to the Headteacher.

8) Inventory, Equipment Loans and Write off Policy

- a) The Headteacher is responsible to the governing body for the safe custody and control of cash and other property belonging to the school.
- b) The Headteacher should ensure that stocks are maintained at reasonable levels and subject to regular, independent physical check.
- c) An inventory is maintained of all valuable items with a note of make, model number and serial number where appropriate. Items should be identified with a security mark where appropriate.
- d) The Headteacher should arrange for the inventory to be checked at least once per year. Any discrepancies should be investigated and pursued to a satisfactory conclusion. The Headteacher should report discrepancies to the governing body.

- e) Whenever school property (computer, cameras etc) is taken off the school premises, it should be signed for and a log book completed accordingly.

The governing body should authorise all write-offs and disposals of surplus stocks and equipment. Safes and similar receptacles (e.g. cash boxes) should be kept locked and keys removed. Key holders should normally carry keys on their person and keys should not be left in the vicinity of the secure area. The loss of keys should be immediately reported to the Headteacher.

9) Income

- a) The governing body is responsible for determining a charging policy for letting school premises.
- b) The School Business Manager and the Financial Administrator is responsible that all income is accounted for and banked promptly.

10) Insurance

- a) The School Business Manager and the Financial Administrator should liaise with the EFA to regularly review whether the sums insured are commensurate with risks and consider the adequacy of insurance cover for:
 - i) vandalism;
 - ii) property (on or off the premises);
 - iii) money;
 - iv) personal accident;
 - v) losses which arise from fraud or dishonesty,
- b) The Financial Administrator should be responsible for:
 - i) informing the insurers of any new risks
 - ii) making claims arising from accidents or other incidents for which a claim can be made.

11) Unofficial funds

- a) The governing body is responsible for nominating independent auditors. The School Business Manager and the Financial Administrator is responsible for ensuring that audited accounts for each school year are submitted to the governing body annually,
- b) The governing body will determine who is responsible for the administration of the school fund(s), keeping the accounts and which members of staff have authority to sign cheques and make payments from the school fund(s).

12) Petty Cash

All petty cash payments should be recorded by the Financial Administrator. Prior to purchase approval must be sought. On purchase of goods a receipt must be issued.

Any items under £25.00 will be reimbursed in cash. Any items over £25.00 will be dealt with as a Sundry invoice and a cheque will be issued. From time to time it may be necessary to give cash for purchases over £25.00 but approval in writing must be given by the Chair of Governors.

13) VAT

The VAT return is processed at the beginning of each month for the previous month and signed by the Financial Administrator. This is then forwarded to the HMRC on the VAT 126 form.

14) Authorised Signatories

The following staff are signatories (see attached for samples). Cheques can be signed by any two signatories from the list, but such cheques can only be signed if accompanied by the approved expenditure sheet signed by the Chair.

Mr J Dover – Chair of Governors
Mr A Berkeley – Vice Chair
Mr J Dalziel – Headteacher
Mrs N Gardiner – School Business Manager
Mrs L Rose – Finance Administrator

15) Governors Admin

The Governors Admin Bursar passes invoices for payment by the High School Finance Department. The Finance Department pays the invoices including the VAT and re-invoices the Governors Admin for the net amount. The Governors Admin then reimburse the school. A separate cost centre and income centre has been assigned for this purpose.

16) Bank Statements

The School Business Manager reconciles the Bank Statements. This is checked and signed by the Headteacher and copies of the bank reconciliation and unreconciled items are attached to the bank statement and filed.

17) Computer Systems

The Headteacher should ensure that:

- a) the computer based management system is registered in accordance with the Data Protection Act 1984;
- b) only appropriate staff have access to the relevant computer records;
- c) adequate back up procedures are in place and implemented.

18) Reporting Fraud

Any suspected fraud (whether proven or not) should be immediately reported to the Head Teacher and the Chair of Governors

19) The Trust

1. the trust manages severance payments, compensation, and ex gratia payments.
2. the trust manages novel and contentious payments.
3. the trust manages write offs, letters of comfort and/or indemnities.
4. the trust manages finance leases.
5. the trust manages borrowing.
6. the trust manages the disposal and acquisition of freehold assets.
7. the trust ensures no public funds are spent on alcohol.

SCHEDULE FOR FINANCIAL YEAR 2023-2024

1. Budgetary Control

The School Business Manager and the Finance Administrator and will be permitted to approve orders up to £500 (subject to the note in point 4 above) as long as these order are within the pre-approved annual budget. For the avoidance of doubt, any order of any amount which is not within the pre-approved annual budget, requires approval of the Finance, Audit & Resources Committee

2. General Purchasing

The limit for the purchase of individual items, which can authorised by the Headteacher is £20,000 (subject to the note in point 4 above) as long as these order are within the pre-approved annual budget

Purchases not within the pre-approved annual budget and Purchases over £20,000, up to and including £29,999 must be approved by the Finance, Audit & Resources Committee .

Purchases over £30,000 must submitted to the Finance, Audit & Resources Committee and be approved by the full governing body.

3. Ordering Goods and Services

The persons authorised to approve orders will be as above.

Except in special circumstances e.g. urgent repairs / supplies, which the Chair has approved, the school will always ask suppliers for three quotes for equipment, supplies and services. This will include, but not be limited to, entering into Operating Leases or Finance Leases and the procurement of any capital items