

# Mercia Primary Academy Trust

## Scheme of Delegation

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## Scheme of Delegation

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### **A. Powers and Duties reserved for the Directors**

*The Directors shall be responsible for:-*

### **B. Powers and Duties reserved for the Governing Body**

*The Governing Body shall be responsible for:-*

**B1.** Approval of a written scheme of delegation and its financial powers and duties to its Finance Committee and the Head Teacher / Principal. The scheme must satisfy the Governing Body's ultimate responsibility for ensuring that there are adequate operational controls in place for all the financial processes within Mercia Primary Academy Trust (the Academy). The Scheme of Delegation should be operational in conjunction with the Financial Regulations of the Academy.

### **Audit**

**B2.** Arrangement for the appointment of external auditors; and informing the Department for Education (DfE) in the event of the removal or resignation of auditors.

**B3.** Receiving the reports of the external auditor and of the Finance and General Purposes Committee (F & GPC).

**B4.** Receiving the reports of the Responsible Officer on the use of resources, systems of internal financial control, and discharge of financial responsibilities.

**B5.** Informing the DfE if it suspects any irregularity affecting resources.

### **Budgets / Budgetary Control**

**B6.** Reviewing the draft financial statements prior to audit and approve the audited financial statements prior to submission to the Secretary of State by 31 December.

**B7.** Formally approving the annual Academy budget prior to sign off by Directors.

**B8.** Considering budgetary control reports at every meeting from the F & GPC with relevant explanations and documentation where required.

### **Contracts**

**B9.** Tenders other than the most financially favourable, or late tenders, can only be accepted by the Governing Body who shall minute the reasons for their decision.

**B10.** Maintenance of a Register of Business Interest for all Governors and those staff.

**B11.** Authorisation of the advertising of tenders above the OJEU limit, and authorising the award of such tenders.

### **Income**

**B12.** Authorisation of the write-off of debts not collectable (the Secretary of State's prior approval is also required if debts to be written off are above the value set out in the annual funding letter).

### **Security of Access**

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**B13.** Authorisation of the disposal of individual items of equipment that have become surplus to requirements, unusable or obsolete with an original purchase value in excess of £5000. These items should have prior permission from the Secretary of State and reported to full Governors as such.

### **C. Powers and Duties delegated to the Finance & General Purposes Committee**

*The Finance & General Purposes Committee shall be responsible for:-*

#### **General**

**C1.** Exercising the powers and duties of the Governing Body in respect of the financial administration of the Academy, except for those items specifically reserved for the Governing Body and those delegated to the Head Teacher / Principal, or those delegated to other staff by the Head Teacher / Principal.

**C2.** Reporting on decisions taken under delegated powers to the next meeting of the Governing Body.

#### **Audit**

**C3.** Reviewing the reports of the Responsible Officer on the effectiveness of the financial procedures and control. These reports must also be reported to the Governing Body.

#### **Budgets / Budgetary Control**

**C4.** Considering budgetary control reports in the Academy's financial position at every meeting, take appropriate action to contain expenditure within the budget and report to the Governing Body.

**C5.** Reporting to the Governing Body all significant financial matters and any actual or potential overspending.

#### **Contracts and Purchasing**

**C6.** Authorising the award of contracts or purchases of over £25,000 but below the OJEU limit.

#### **Insurances**

**C7.** Ensuring that arrangements for insurance cover are in place and adequate.

#### **Security of Assets**

**C8.** Ensuring that there are annual independent checks of assets and the asset register.

**C9.** Authorisation of the disposal of individual items of equipment that have become surplus to requirements, unusable or obsolete with an original purchase value of up to £5000 and reporting such authorisations to the Governing Body.

#### **Personnel**

**C10.** Authorising permanent changes to the Academy's establishment.

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### D Financial powers and duties delegated to the Head Teacher / Principal

#### Delegation of Head Teacher / Principal's Responsibilities

The Head Teacher / Principal has delegate powers and functions in respect of internal organisation, management and control of the Academy, the implementation of all policies approved by the Governing Body and for the direction of teaching and the curriculum.

#### *The Head Teacher / Principal shall be responsible for:*

##### Accounts

- D1.** The operation of financial processes within the Academy, ensuring that adequate operational controls are in place and that the principles of internal control are maintained.
- D2.** Ensuring that full, accurate and up to date records are maintained in order to provide financial and statistical information.

##### Audit

- D3.** Ensuring that all records and documents are available for audit by the appointed external auditors and by the Responsible Officer.

##### Budgetary Control

- D4.** Reviewing income and expenditure reports and highlighting actual or potential overspending to the F & GPC.

##### Contracts

- D5.** Exercising the following powers and duties of the Governing Body in respect of the Financial Regulations relating to Contracts:
- a. Ensuring that all contracts and agreements conform with the Financial Regulations
  - b. Acceptance of quotations up to £25,000 in value
  - c. Receipt and custody of all tenders
  - d. Authorisation of senior members of staff to open tenders
  - e. Signing contracts on behalf of the Governing Body
- D6.** Authorisation of contracts and expenditure of up to £25,000 in conjunction with the Bursar.

##### Financial Management

- D7.** Ensuring the arrangements for collection of income, ordering of goods and services, payments and security of assets are in accordance with the Financial Regulations.

##### Security of Assets

- D8.** Ensuring that proper security is maintained at all times for all building, furniture, equipment, vehicles, stocks, stores, cash, information and records etc under his / her control.

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### **Personnel**

**D9.** Approving new staff appointments within the Academy and their relevant salary scale and ensuring that this is officially documented as authorised and forwarded to the HR dept at Staffordshire County Council.

**D10.** Review and adjustment of existing staff salaries in accordance with Performance Management.

### **Bank account transfers and cheque / BACS payment authorisation**

**D11.** All cheque transactions to have two signatories.

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Financial powers and duties delegated to the Business Manager

**The Bursar shall be responsible for:**

### **Banking Arrangements**

**E1.** Maintaining proper records of account and reviewing monthly bank reconciliations.

### **Budgets/Budgetary Control**

**E2.** Regular monitoring of expenditure and income against the approved budget, submitting reports on the Academy's financial position to the Head Teacher and to every meeting of the F & GPC. Any actual or potential overspending shall be reported to the F & GPC.

**E3.** Preparing an annual draft budget plan for consideration by the Head Teacher and the F & GPC before the start of the relevant financial year.

### **Contracts**

**E4.** Maintaining a register of formal contracts entered into, amounts paid and certificates of completion.

**E5.** Retention of quotes obtained for goods, works and services.

### **Income**

**E6.** Ensuring that all income is accurately accounted for and is promptly collected and banked intact.

### **Information and Communication Systems**

**E7.** The standard of control for such systems in operation within the Academy to include the use of properly licensed software, and for the security and privacy of data in accordance with the Data Protection Act.

### **Insurances**

**E8.** Notifying the F & GPC on any eventuality that could affect the Academy's insurance.

### **Orders for goods, works and services**

**E9.** Authorising members of staff to order or receive goods, ensuring the appropriate division of these duties between the staff.

### **Payments**

**E10.** Ensuring that all invoices, vouchers and other records are retained and stored in a secure way and are readily available for inspection by authorised persons.

### **Salaries, wages and Pensions**

**E11.** Notifying the payroll provider of any matters affecting payments to employees.

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### Security of Assets

**E12.** Maintaining a permanent and continuous register of all items of furniture and equipment, including desirable items below the capital threshold.

### G. Financial Powers and Duties Delegated to Other Members of Staff

Members of staff with delegated responsibilities should be aware that these must be exercised in accordance with Financial Regulations.

The following responsibilities are delegated to the Deputy Head Teacher and Administration Staff:

#### Contracts

**G1.** The following members of staff, in addition to the Head Teacher / Principal and Business Manager are authorised to open tenders in the presence of another authorised person:-

- Deputy Head Teacher

Orders for goods, works and services

**G2.** The following members of staff, in addition to the Head Teacher / Principal and Business Manager are able to authorise orders for goods, works and services as specified:-

- Deputy Head Teacher

#### Receipt of Goods

**G3.** The following members of staff are authorised to receive goods:-

- All other Teaching Staff
- Administration Staff
- Teaching Assistants
- Site Staff

#### Payments

**G4.** The following members of staff, in addition to the Head Teacher / Principal and Business Manager are authorised to certify payments:-

- Deputy Head Teacher

#### Salaries and Wages

**G5.** The following members of staff, in addition to the Head Teacher / Principal and Business Manager are authorised to certify pay documents and time records:-

- Deputy Head Teacher

**Authorisation Levels (per Academy)**

<b>Delegated Duty</b>	<b>Value</b>	<b>Delegated Authority</b>
Purchase Credit Card	£300 limit  Monthly limit: £2000  £1500  £1000  £500	Single cash withdrawal  CEO  Headteacher  Business Manager  Caretaker
Cheque Payments  Bank account transfers  BACS Payroll payment authorisation	All amounts  Up to £5,000  Over £5,000 to £50,000  Up to £70,000  Over £70,000 and up to £300k  Over £300k	Two signatories  Business Manager  Headteacher or Business Manager plus 1 delegated signatory.  Head Teacher or Business Manager and 1 other delegated signatory  As above plus Chair of F & GP or Director.  If movement to new bank account, full F & GP committee approval
Order / Invoice Approval  Non Order Invoices  Orders, Self Authorisation	Limitless  £10000  £3000  Limitless  £10000  £3000	Head Teacher/CEO  Business Manager  Office Manager  Head Teacher/CEO  Business Manager  Office Manager *Exceptional circumstances may result in agreeing work undertaken immediately without a purchase order or quotation



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Approval	Limitless £10000 £0 Over 40,000	Head Teacher Business Manager Admin Officer In line with quotations and tendering procedures below & involving F & GP & reported to Full Governing Body as appropriate
Quotations & Tendering	Low value under £10,000 Medium value - Over £10,000 up to £40,000 £40,000 to OJEU limit Over OJEU limit*	Quotations to be sought Three comparative quotations to be sought and formal tendering procedure to be applied Formal tendering process requiring F & GP approval OJEU advertising required, F & GP approval & reported Governing Body approval – Seek advice from Local authority. *Exceptional circumstances may result in agreeing work undertaken immediately without a purchase order or quotation
Authority to accept other than lowest quotation	Any	Head Teacher
Disposal of Assets	Up to £1000 Up to £5000 Over £5000	Head Teacher/Business Manager F & GP Committee Governing Body
Write-off of Bad Debts	£1.00 - £49.00 £50.00 over	Headteacher F & GP Committee reported to Governing Body
Signatories for Grant Claims / DFE returns	Any	Head Teacher and/or Chair of Governors

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Income Invoice Approval	Up to £5000	Business Manager
	Up to £10,000	Above plus Head Teacher
	Up to £100,000	Above plus Chair of Governing Body
	Over £100,000	Full Governing Body

\*NB All public procurement contracts worth more than the EC limit, which is roughly £181,302 for goods and services or for more than £4.5 million of works must be published in the daily supplement to the Official Journal of the European Union (OJEU). The light touch regime threshold is £615,278.00.

### Review – Annually

Version	Date Reviewed	Changes	Reasons for Alterations & signature
1	15.12.15	None	
2	07.10.2015	A7. Removal of 3 months approval timeline. Not achievable due to staffing changes, submission of SLA's The Finance Officer is now known as the Business Manager Authorisation Levels – adjusted due to staffing structure change.	Timing  Staff Change
2	07.12.2016	Reviewed	
3	29.06.2018	Change of staffing structure – removed 'Business Manager' added 'Bursar'.  Addition of new Purchase Credit Cards	Staff change  Removal of 'debit card' system for staff. Introduced Purchase credit card facility.
4	10.10.2020	Amended 'Bursar' to Business Manager	Staff changes
5	12.11.2020	Amended E1 E2 E4 and E5 from bursar to Senior office positions Removed delegated duty - purchased credit card for Breakfast club supervisor Added signature to version control	Staff changes  No longer appropriate.  M Booth
	10.03.2021	Added policy review to take place annually	Policy reviewed following

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		<p>Amended approval levels to fit alongside changing capacity</p> <p>Quotations &amp; tendering thresholds amended to low, medium and high bandings:            Low value under £10,000            Medium value - Over £10,000 up to £40,000            £40,000 to OJEU limit            Over OJEU limit*</p> <p>Bed debt write-off</p>	<p>internal audit</p> <p>Governors approval needed in excess of £40,000</p> <p>Bandings to fit better with systems in school whilst abiding to legislations.</p> <p>Staff value parameters added</p>
	March 2021	Added range of formats	Accessibility

This information can be made available in a range of formats and languages, including Braille and large print. If this would be useful to you or someone you know, please contact your Directorate HR Unit.

Approved by: .....

Director, Mercia Primary Academy Trust

March 2021

*A signed copy of this document is available from the school office.*

Review – March 2023