



## **Academy Scheme of Financial Delegation**

### **A. Governance:**

1. The Governing Body will establish a scheme of financial delegation, which complies with all EFA financial regulations and standing orders.
2. The Governing Body will establish a register of business interests of governors, the Principal and any other staff who influence financial decisions. (A Register of Pecuniary Interest is reviewed in the Autumn Term and updated as necessary.)
3. Minutes should be taken of all meetings of the Governing Body and its committees and should include all decisions made and state who is to take action.
4. The Academy will adopt the principles of 'Best Value' in all its financial decisions using the 4 Cs – Consult, Challenge, Compare & Commit.
5. The Finance & General Purposes committee will review spending using the provisional outturn statement and benchmarking audits before setting the next financial year's budget. This is part of the Academy Self-Evaluation process.
6. The governing body is responsible with the Principal for maintaining proper security for the buildings, stock, furniture, equipment and cash held by the Academy.

### **B Budgetary Control:**

1. The Principal and Finance Manager will draw up the budget during the autumn/spring terms, in conjunction with the Strategic Leadership Group. The planned budget is presented to the Finance and General Purposes Committee for approval.
2. There should be a clear, identifiable link between the Academy's annual budget, its development plan and long term plans.
3. The Academy development plan should state the Academy's educational priorities in sufficient detail to provide the basis for constructing budget plans for the next financial year, September – August. The Principal and other budget holders should provide their outline proposals for development on the Mini SEFs in April before the budget is drafted.



4. The Governing Body should ensure that the main elements of the Academy's budget are reviewed to ensure that historic spending patterns are not unhelpfully perpetuated. (Process to be reviewed during budget setting by use of Base and Zero based budgeting techniques).
5. The Academy Finance Manager should profile the budget and forecast cash flow to account for likely spending patterns.
6. The Principal will be permitted to vire between budget heads up to £10,000 and report any virement to the next Finance and General Purposes meeting.
7. In the case of additional funding, the Principal may increase or decrease income and expenditure estimates to match funding available.
8. The Finance and General Purposes committee has delegated authority to run and adjust the Academy budget, reporting budgetary changes/post virement to the next full governing body meeting.

### **C Budget Monitoring:**

1. The Principal directs the Finance Manager to produce monthly monitoring reports for income and expenditure against the approved budget.
2. The Principal directs the Finance Manager to provide the most recently reconciled budget monitoring reports to the Finance and General Purposes committee at least once a term, showing significant variances against the budget with explanatory notes and, where necessary, remedial action plans including virements. (These notes to be prepared with the Principal).
3. If budget elements are devolved, named budget holders should receive termly reports comparing the amount spent or committed to date against budgets. Named holders will be expected to maintain their own financial records and termly evaluations and provide a plan of expenditure for their responsibility before Academy budget setting.
4. The Principal directs the Finance Manager to produce monthly cash-flow forecasts (an annual profile for each budget holder) to ensure that the Academy bank account does not go overdrawn.



#### **D Purchasing:**

1. Three verbal quotations for all significant expenditure between £5,000 - £30,000 are required unless it is impracticable to do so. In such circumstances, the reasons for not doing so should be reported and minuted by the Finance and General Purposes committee.
2. Three written quotations for all significant expenditure above £30,000 - £150,000 are required.
3. Prior approval for the Finance and General Purposes committee should be obtained for all capital expenditure.
4. Where quotations other than the lowest is accepted under delegated authority by the Principal, the reasons for this decision must be reported to the Finance and General Purposes committee and included in the minutes for the relevant meeting.
5. Any expenditure/purchase/service expected to exceed £150,000 should be put out to tender and be agreed by the Finance and General Purposes committee.
6. The Principal must not enter into any lease or hire purchase agreement of more than 12 months duration without the approval of the Finance and General Purposes committee.
7. The Academy should not enter into any financial agreement with capital implications without the approval of the or appropriate body.

#### **E Ordering Goods and Services:**

1. The limit for purchase of individual items, which can be authorised by the Principal is £5,000.
2. A requisition form should be raised for all goods and services required by appropriate budget holder, showing the relevant cost centres. These should be costed and must be within agreed budget limits.
3. Official pre numbered orders will be used for all good and services, except utilities, rent, rates and petty cash payments.
4. Numbered orders should be used for good and services provided to the Academy. Individuals must not use official orders to obtain goods and services for private use.



5. Only authorised staff should have access to raise purchase orders on the PS Financials (see annex for list of authorised staff).
6. Once raised all orders must be signed by a member of staff approved by the Governing Body. The Academy should maintain a list of such staff together with their signatures. This record should be reviewed annually. (See annex 1).
7. Once approved the original order should be sent to the relevant supplier. Checks should be under taken to ensure that the supplier is bona fide.
8. A copy of the approved order will be filed with the requisition form in the purchase order file.
9. The signatory of the order should be satisfied that the goods and services ordered are appropriate and necessary, that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary.

**Note: Exceptional Circumstances:**

In exceptional circumstances only, an oral order may be authorised by the Principal. This should be confirmed by a written requisition order as soon as possible and comply with section D of this document.

**F Receipt of Goods and Services:**

1. Upon receipt of goods a member of the Admin Team and /or Site Manager, against the delivery note, will check the items within 24 hours of the delivery.
2. The person raising the original order will agree the match between the order raised and the goods received and sign relevant paperwork to confirm this.
3. The delivery note should be filed with the order awaiting the purchase invoice.

**G Payment of Account:**

1. All incoming post is stamped with the Academy date stamp.



2. Under the direction of the Principal and on receipt of the invoice the Finance Manager will match the invoice to the purchase order and delivery note, to ensure that the Academy has only been invoiced for goods received. Any discrepancies should be noted on the invoice.
3. Payment should not be made unless a proper invoice has been received, checked, coded and certified for payment that:
  - Goods and/or services have been received, cross-referenced to the order number
  - Expenditure has been properly incurred and that payment has not already been made.
  - Prices accord with quotations, tenders, contracts or catalogue prices and are arithmetically correct.
  - VAT has been correctly calculated and accounted for.
  - Discounts, where available have been taken.
4. The Finance Manager under direction will certify invoices for payment. (This should be neither the person who signed the order nor the person who checked the receipt of goods or services).
5. Payment should be made within 30 days of receipt of the invoice to avoid the Academy incurring costs for late payment.
6. If any goods are returned after the invoice has been certified, the Finance Manager under direction should ensure that reimbursement in the form of a credit note or refund can be obtained.
7. Academy procedures should ensure that supporting vouchers are made available to cheque signatories to safeguard against inappropriate expenditure.
8. Cheque signatories should be satisfied that the goods and services invoiced have been received and the payee details are correct. (See annex 1).
9. Cheque signatories should check the invoice and sign the invoice, cheque. (See annex 1).
10. After payment has been made, the invoice will be filed with the copy of the purchase order, delivery note and cheque payment details in cheque order.
11. The Academy will maintain a list of staff authorised to certify invoices for payment and cheque signatories.



12. The Academy will retain all documents relating to financial transactions for seven years.

#### **H Income:**

1. The Governing Body is responsible for determining a charging policy for the supply of goods and services.
2. All education during Academy hours is free. The Academy does not charge for any activity undertaken as part of the National Curriculum. There are some circumstances when the Academy makes a charge for certain activities. (See Charging and Remissions Policy and Academy Visits Policy)
3. The Academy may make a charge for goods and services where they are provided for other Academies, institutions or agencies and the Local Authority. Examples could include provision of INSET, training and coaching. Members of staff acting as tutors or providers. Booklets, publications and artefacts made in and by the Academy and purchased by visitors or outside agencies.
4. All income will be identified to the appropriate heading and reported to the resources committee as appropriate.
5. Lettings, charging and remissions policies will be reviewed annually by the Finance and General Purposes Committee.
6. All lettings must be authorised by the Principal and recorded in a lettings book with regular reports to governors.
7. Invoices for goods and services provided should be issued within 30 days.
8. The Academy must issue receipts or maintain other formal documentation for all income collected.
9. Cash and cheques should be locked away in the Academy safe to safeguard against loss or theft.
10. To ensure the Academy does not exceed its limits on cash holding on Academy premises all monies collected should be paid into the appropriate bank account promptly.
11. Bank paying in slips should show clearly the split between cash and cheques and list each cheque individually.



12. Details of monies banked should be entered on to the Academy finance system as soon as possible.
13. Income collections should not be used for the encashment of personnel cheques for Academy staff.
14. The Principal or other authorised persons should reconcile monthly the sums collected with sums banked. This should not be the person who collects the money or completes the paying in slips.
15. The Academy should have written procedures for chasing outstanding debts. Debts should be written off only in accordance with Local Authority regulations and Academy should keep a record of all write offs.
16. The Academy does not have responsibility for collecting and storing money for other organisations.

#### **I Banking:**

1. The Academy should obtain bank statements at least monthly. These should be reconciled with their accounting records. Any discrepancies should be investigated.
2. Once received, a bank statement should be date stamped and reconciled within one week of this date.
3. The person performing the reconciliation should sign all bank reconciliations. The Principal should review and countersign the statement.
4. The Academy procedures should stipulate that all cheques must bear the signatories of two signatories to safeguard against inappropriate expenditure.
5. All cheques should be crossed "account payee only" to avoid improper negotiation of the cheques.
6. Cheques should be held securely when not in use and cheques should not be pre-signed.
7. The Principal should maintain a list of all bank and building society accounts held and the signatories for each.



8. The banking of monies is the responsibility of the Finance Manager under direction and the Academy ensure security for this purpose by adopting a variety of dates, times and venues when banking.
9. The Finance Manager should be suitably insured for using personal vehicle for banking of monies.

#### **J Tax:**

1. The Principal, together with the Finance Manager are responsible for ensuring that the Academy complies with VAT and other tax regulations. All relevant staff should also be made aware of the regulations.
2. Only proper VAT invoices should be paid on a monthly basis, as the Academy will not be reimbursed in the absence of such documentation.
3. Correct procedures for accounting for VAT on business activities, Academy trips and other taxable transactions should be followed for both delegated budget and voluntary funds.
4. Payment contractors and sub contractors should be made in accordance and procedures with regards the Construction Industry Scheme (CIS) (where applicable) and through the Academy accounts system according to EFA policy and procedures.

#### **K Salaries:**

1. The Governing Body will determine the number, type and point on the relevant pay scale of all staff in accordance with the Academy's pay policy, based on recommendations from the Staffing and Pay Committee, which is responsible for maintaining Academy policies on pay.
2. All staff appointments will be made by the governing Body. This is delegated to the Staffing and Pay Committee where appropriate.
3. The Principal will have responsibility to ensure correct staffing levels are maintained in the event of staff absence through illness, training etc.
4. The Principal, with the Finance Manager, will be responsible for maintaining adequate personnel records and the authorisation of overtime.



5. The Academy ensures that all payments to staff are made through the payroll procedures, so that the appropriate statutory deductions are made.
6. The Finance Manager will be responsible for undertaking monthly monitoring of the payroll records to ensure that payments are consistent with those approved by the Principal and Governing Body.
7. The Finance Manager will print formal payroll reports for signing by the Principal before submitted to the payroll bureau.

**L Assets:**

1. The Principal is responsible to the Governing Body for the safe custody and control of cash and other property belonging to the Academy.
2. The Principal and named budget holders will ensure that stocks are maintained at reasonable levels and subject to regular independent physical checks.
3. Inventories should be maintained of all portable “desirable” items of material and equipment with a value greater than £50, and non-portable items of material and equipment with a value of £1000 and above. Such items should be identified with security markings as belonging to the Academy. Details of make, model number and serial number where appropriate, and original purchase cost to be kept in an Asset Register.
4. The Principal and Finance Manager will arrange for inventories to be checked annually against physical items by responsible persons and ensure that a back up copy is maintained off site.
5. Any discrepancies should be investigated to a satisfactory conclusion. Discrepancies will be reported to the Finance and General Purposes Committee.
6. The Finance and General Purposes Committee will authorise all “write offs” and disposals of surplus stocks and equipment in accordance with Local authority financial regulations.
7. The Academy will maintain a loans book to record details of all items borrowed by staff and pupils. Items should be signed out when taken and signed back in when returned.



## **M Insurance**

1. The Academy will liaise with the Local Authority to regularly review whether the sums insured are commensurate with risk and consider the adequacy of insurance cover for:
  - Buildings
  - Public Liability
  - Vandalism
  - Property on and off of the premises
  - Money
  - Personnel Accident
  - Fire & theft
  - Losses, which arise from fraud
  - Staff absences and Maternity leave
2. The Principal and Finance Manager will be responsible for:
  - Informing the insurers of any new risks
  - Making claims from accidents or other incidents covered by the policy.

## **N Data Security:**

1. The Governing Body is registered in accordance with the General Data Protection Regulations GDPR 2018.
2. Computer systems used for Academy management have a password to ensure only authorised staff has access to the system.
3. Passwords are changed regularly and updated for staff changes.
4. The Principal/ Finance Manager /IT Coordinator/IT Technical Support Team should ensure that data is backed up regularly and that all back ups are securely held in a fireproof location or off site. These routines should be reviewed and minuted by governors on an annual basis.



**Annex 1**

**SCHEDULE FOR FINANCIAL YEAR 2019-20**

To be updated annually with actual copy of signatures (ONLY ONE TOP COPY) retained securely on site by the Principal.

**Ordering Goods/Services**

The following members of staff may authorise orders:

Title	Name
Principal	Mrs Angela Malanczuk
Finance Manager	Miss Lauren Young

**Delivery Notes/Invoices**

Delivery notes may be signed by any member of staff other than the person who raised the order.

The following members of staff may endorse/certify/authorise invoices.

Title	Name
Principal	Mrs Angela Malanczuk
Finance Manager	Miss Lauren Young

**Payment of Accounts**

The following are authorised to sign cheques (a minimum of 2 are required):

Title	Name	Signature
Principal	Mrs Angela Malanczuk	
Deputy Principal	Mrs Nikki Bennett	
Company Secretary	Mrs Sue Miles	



### **Petty Cash**

The following may draw cash to a maximum of £200.00

<b>Title</b>	<b>Name</b>
Principal	Mrs Angela Malanczuk
Finance Manager	Miss Lauren Young /Loomis

### **Inventory/Stock**

Any items lost and damaged above a value of £50 to be recorded.



## Staff Salaries

N.B. Pro-formas for Staff salaries information and information to staff, should be found as an annex to the Academy Pay policy.

## Academy Main Budget Holders

Responsibility	Name	Amount
CPD Inclusion/Safeguarding ICT Admin supplies – leadership Premises	Mrs Angela Malanczuk	
SEN/Pupil Premium	Mrs Nikki Roberjot	
EYFS	Mrs Kirsty Jordan-Gill	
Assessment Key Stage 1 English	Mrs Nikki Bennett	
Maths	Mrs Katie Travers	
E-safety	Mr Jim Ryan	
Music	Miss Sam Beusmans	
PE/Sport	Amanda Layland	
First Aid & Medical Catering Admin Supplies - Governance	Mrs Sue Miles	
Admin Supplies –office & school administration	Miss Lauren Young	

Agreed by Govenors: 14<sup>th</sup> November 2019