



Financial Management Policy

Ratified by Board of Trustees (date):

July 2020

Signed on behalf of Board of Trustees

Signed on behalf of CEO:

Review date:

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Introduction

The purpose of this document is to ensure that the Carlton Academy Trust maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreements with the Education Skills & Funding Agency (ESFA).

Each academy within Carlton Academy Trust must comply with the principles of financial control outlined in the academies' guidance published by the ESFA in the Academy Funding Agreement and the Academies Financial Handbook.

Carlton Academy Trust will ensure all staff, including the Accounting Officer, the Trust Director of Finance, Heads of School, Business Managers and the Finance / Admin Assistants and/or Officers, who deal with financial matters, are trained in the appropriate financial procedures. Carlton Academy Trust's Audit Committee, a sub-group of the Carlton Academy Trust Board will be responsible for reviewing all controls and procedures of financial systems operating within the trust.

The Carlton Academy Trust is a Multi Academy Trust. The trust is a company limited by guarantee with charitable status and is governed by Board of Trustees. The membership and the main responsibilities of the Board are set out in the written terms of reference.

The Trustees have opted to establish separate committees to be known as Local Governing Bodies (LGBs) for each Academy and will ensure that, where possible, each Local Governing Body shall include at least one elected representative of the parents of students attending the relevant Academy.

1. Carlton Academy Trust Roles and Responsibilities

The main responsibilities of the MAT are prescribed in the Funding Agreements with the ESFA. The key responsibilities include:

- ensuring that grants from the ESFA are used only for the purposes intended
- approval of the annual budget in line with ESFA guidelines and timelines
- balancing its budget from year to year
- production of an Annual Report and Accounts
- appointment of auditors
- appointment of a Chief Executive Officer (as Accounting Officer)
- appointment of the Trust Director of Finance in conjunction with the Chief Executive Officer
- ensure regularity, propriety and value-for-money in relation to the management of public funds
- Executive Pay setting by the Board must ensure decisions follow a robust evidence-based process
- annual letters to the Accounting Officer from ESFA regarding the Accountability Framework are discussed by the Board
- to consider and sign the ESFA's Finance, Management & Governance Statement (FMGS)

Subject to provisions of the Companies Act, the Articles and to any directions given by special resolution, the business of the Company will be managed by the Trustees who may exercise all the powers of the Company.

The Academy Trust has defined the responsibilities of key committees and staff involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff.

The following sections summarise the responsibilities of those individuals with key roles in the administration and accountability of Carlton Academy Trust finances.

1.1 Role of the Chief Executive Officer / Accounting Officer

The Chief Executive Officer has overall responsibility for the Carlton Academy Trust's activities including financial activities. As the Accounting Officer for Carlton Academy Trust, the Chief Executive Officer is personally responsible for:

- propriety and regularity of the public finances for which they are answerable. This covers
- standards of conduct, behaviour and corporate governance
- keeping of proper accounts
- prudent and economical administration
- avoidance of waste and extravagance
- ensuring value for money
- efficient and effective use of all available resources
- management of opportunities and risks

The essence of the role is a personal responsibility for:

Regularity - dealing with all items of income and expenditure in accordance with legislation, the terms of the trust's funding agreement and this Handbook, and compliance with internal trust procedures. This includes spending public money for the purposes intended by Parliament;

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

Value for money – this is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in the trust's charge, the avoidance of waste and extravagance, and prudent and economical administration. A key objective is to achieve value for money not only for the academy trust but for taxpayers more generally. In practice, much of the financial responsibility is delegated to the Director of Finance but the Chief Executive Officer still retains responsibility for:

- approving new staff appointments, outside of the agreed staffing structure and budgets, except for any senior staff posts which the Trustees have agreed should be approved by them

- authorising orders, contracts and signing cheques / releasing payments in conjunction with other authorised signatory in accordance with the Finance Scheme of Delegated Authority at Trust Level
- preparing budget plans in conjunction with the Director of Finance in line with ESFA guidelines
- implementing expenditure in line with the Academy budget
- seeking Carlton Academy Trust approval for purchase orders or contracts in excess of delegated thresholds
- submitting reports to the Carlton Academy Trust Board of Trustees giving details of income, expenditure and commitments to date
- ensuring any actions resulting from the annual audit are implemented

1.2 Role of the Trust Director of Finance/Chief Financial Officer

The Director of Finance works in close collaboration with the Chief Executive Officer through whom they are responsible to the members. The main responsibilities of the Director of Finance are:

- day to day management of financial issues including the establishment and operation of a suitable accounting system for the Multi Academy Trusts central budget and individual academies
- management of the Academy financial position at a strategic and operational level within the framework for financial control determined by the trustees
- preparation of budget plans in conjunction with the Chief Executive Officer and Head of Schools
- the maintenance of effective systems of internal control
- maintenance of adequate fixed asset registers
- liaising with auditors to ensure that the annual accounts are properly presented and adequately supported by the underlying books and records of the Trust
- the preparation of monthly management accounts, including income and expenditure reports, cash flow forecasts and a balance sheet
- approving the monthly salary reports and signing and dating these to confirm they are accurate and noting any queries
- ensuring forms and returns are sent to the ESFA in line with the timetable in the ESFA guidance
- additional roles, some of which are not directly finance related, as outlined in the Director of Finance's job description
- Consideration of Novel, Contentious or Repercussive transactions before they are entered into and reported to ESFA
- To maintain a register of related party transactions in accordance with the Academies Financial Handbook

1.3 Role of the Trust Central Finance Team

The duties of the finance team are to provide support for all academies in the following areas:

- Access
- Budget Planning Software
- Banking

- Year End Accounts
- Annual Accounts Return
- Any other financial responsibility
- Support to a new Academy joining the Trust

2. Local Governing Body - Summary of Responsibilities

- The management of the school is, through its Instruments of Governance, the responsibility of its Local Governing Body, and, to the extent of the delegated powers vested in them, the committees created by the Local Governing Body
- The Local Governing Body delegates day to day responsibility for carrying out the policies and decisions of the Local Governing Body and its committees to the Head of School
- It is the responsibility of the Local Governing Body to set/recommend the annual budget for the school for submission to Carlton Academy Trust Board which accords with the school's aims and objectives, as set out in the current Academy Improvement Plan, and the legislative responsibilities undertaken by the Governing Body. Such approval should be clearly minuted by the Local Governing in sufficient time to allow prompt submission of the plan to (ESFA) and Carlton Academy Trust Board
- The Head Teacher/Principal will prepare a recommendation for expenditure by reference to the anticipated budget provision of the school, sufficiently in advance of each financial year, in order to allow due consideration and approval by the Local Governing Body. The Head Teacher/Principal will advise the Local Governing Body on all areas of the school budget
- The Local Governing Body will, in each year, consider the recommendation of the Head Teacher/Principal and will set an Annual Budget. Acting with advice and knowledge acquired from any combination of the Local Governing Body, Head Teacher/Principal or staff. The Local Governing Body will ensure that adequate long term budgeting is undertaken in order that the long term performance of the academy may be maintained

2.1 The Role of the Local Governing Body

The role of the Local Governing Body in academy financial administration is:

- to plan the overall academy budget, including priorities for future expenditure taking the Academy Improvement Plan into consideration.
- consider reports from the Head Teacher/Principal comparing expenditure with budget and to approve virements as necessary
- submit to the Board any proposed write-offs and disposals of surplus stock and equipment
- to approve the Draft three-year Budget and submit to Carlton Academy Trust Board for approval
- to maintain a register of pecuniary interests for governors and staff
- To maintain a register of gifts and hospitality

3. The Role of the Head of School

The day-to-day operation of the budget is delegated to the Head of School, who will be responsible for:

- preparing the academy improvement plan and academy budget in accordance with priorities agreed by the governors and submission of these plans to the Governing Body for approval
- managing internal control systems and internal financial transactions in accordance with Carlton Academy Trust Financial Procedures
- maintaining adequate financial records in accordance with the Academies Financial Handbook
- setting limits of expenditure for members of staff authorised to place orders
- providing a monthly budget monitoring report to trustees. This should report any variations in expenditure against the approved budget plan
- monitoring the academy cash flow
- ensuring that returns to the ESFA and Carlton Academy Trust are submitted according to published deadlines
- providing access to accounting and other relevant records to Audit, including academy fund(s), and implementing auditor recommendations where necessary
- checking that the academy asset register is maintained as accurately and up to date as possible and ensuring that an independent check of the asset register is made at least once a year
- recommending to governors equipment to be written off or disposed of. Ensuring that disposal of such equipment is adequately recorded in the Governors' minutes and that the disposal of assets is conducted in an open manner and where income generated from disposal is maximised. Ensuring that stolen items are reported to the Audit committee before formal approval to delete that item from the asset register and reported to Carlton Academy Trust to report to the ESFA as per audit requirements.
- ensuring that adequate procedures are in place for the prompt security marking of all items of a portable and desirable nature
- ensure that adequate controls are in place to ensure that all responsibilities delegated are monitored
- maintain a central file of all submitted applications for grant funding and counter sign and submissions for audit purposes

3.1 The Role of the School Business Manager and Finance Team

Subject to accordance with individual job descriptions the Head of School may delegate financial procedures to the academy finance team. The finance team's roles may include:

- reviewing the monthly salary reports and signing and dating these to confirm they are accurate and noting any queries
- providing budget monitoring /outturn monthly reports for the Head Teacher/Principal to present to governors and submission, as requested to the Director of Finance
- submitting pay returns to payroll as appropriate
- ensuring that invoice checking procedures are followed
- ensuring that the authorisation of orders, invoices and contracts are in accordance with the Financial Procedures and the Academies Financial Handbook
- prompt and intact banking of income and associated recording of income in accordance the Academies Financial Handbook
- operating the local expenditure bank account (BACS/Cheque book scheme) as per the Academies Financial Handbook

- to prepare cash flow statements so as to ensure the school has sufficient cash to meet its needs and submit these to the finance committee
- assisting in the maintenance of an accurate asset register and associated security procedures
- assist in the preparation of the three year budget plan and the financial returns to the ESFA

3.2 The Role of the Staff

The role of staff in school financial administration is:

- to familiarise themselves with this Policy
- to conduct all financial transactions relating to the academy in accordance with the Financial Procedures
- to manage any budget delegated to them by the Head of School responsibly, and after due consultation with relevant staff
- to actively seek 'best value' on all work, goods, materials or services procured on behalf of the academy
- to ensure that all relevant documents (delivery notes, invoices etc.) are promptly passed to the administrator for processing

4. Delegated Authority

The delegated authority is through the Carlton Academy Trust Schemes of Delegation which can be found in appendix one.

5. Register of Interests/Related Parties

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all members, trustees, governors and staff who can influence financial decisions, or spending powers, are required to declare any financial interests they have in companies or individuals from whom the Trust may purchase goods or services. There is a requirement to maintain a register of related party transactions in accordance with the Academies Financial Handbook.

The register is open to public inspections and should include all business interests such as directorships, share-holdings or other appointments of influence within a business or organisation which may have dealings with the Trust. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a member, director, governor or a member of staff by that person. It is also important to identify any connected parties and or related parties with any other charity, company or organisation with which it operates in the pursuit of charitable activities.

The existence of a register of business interests does not, of course, detract from the duties of members, trustees, governors and staff to declare interests whenever they are relevant to matters being discussed by the Governing Body or a committee. Where an interest has been declared, members, trustees, governors and staff should withdraw from that part of any committee or other meeting. The ESFA should be contacted if a related party transaction does take place following the

following limits. Over £500 up to £24,999 the ESFA must be notified over £25,000 approval from the ESFA must be obtained.

6. Process for Independent Check

Every academy trust must have in place a process for independent checking of financial controls, systems, transactions and risks.

Carlton Academy Trust has an audit committee that will oversee the process for independent checking of financial controls, systems, transactions and risks which the Director of Finance will lead on. The committee will review the risks to internal financial control at Carlton Academy Trust and agree an annual programme of work that will address these risks, inform the statement of internal control and, so far as is possible, provide assurance to the external auditors.

This programme will be managed through one or more of the following options:

- the work of an internal audit service (either in-house, bought-in or provided by a Peer Review)
- the performance of a supplementary programme of work by the Trusts external auditors
- completing the work by peer review

6.1 Investigation of Fraud and Irregularity

The personal responsibilities of accounting officer responsibilities extend to the prevention of loss through fraud and irregularity. However, in addition to the accounting officer's responsibilities, the members of Carlton Academy Trust are also responsible for preventing such losses of public funds, and this means that members, trustees and governors must be aware of the risk of fraud and irregularity to occur within their organisations and they must, as far as possible, address this risk in their internal control and assurance arrangements by putting in place proportionate controls.

Carlton Academy Trust is also responsible for ensuring appropriate action is taken where fraud and irregularity is suspected or identified.

All instances of fraud or theft committed against the Trust, whether by employees or governors or third parties, above £5,000 must be reported by the Trust to the ESFA. Any unusual or systematic fraud, regardless of value, must also be reported.

The ESFA reserves the right to conduct or commission its own investigation into actual or potential fraud, theft or irregularity in any academy either as the result of a formal notification from the Trust itself or as the result of other information received.

The ESFA has provided "fraud indicators" that can identify risks of fraud. This list can be used by all staff to see high risk areas where fraud could occur.

6.2 Appointment of External Auditors

The Trust is required to submit the accounts for an annual audit. This means that external auditors need to be appointed. The appointment should be for a reasonable period, renewable at the discretion of Carlton Academy Trust.

The auditors are required to give an opinion on whether:

- the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Direction issued by the ESFA
- proper accounting records have been kept by the Academy throughout the financial year
- grants made by the ESFA have been applied for the purposes intended

Carlton Academy Trust should arrange for on-going monitoring of the performance of the auditors to be undertaken by the Audit Committee.

7. Accounting System

All the financial transactions of Carlton Academy Trust must be recorded on the Access accounting system operated by the Finance Departments in each academy. Financial records are required to be kept for at least six years. This is a requirement laid down by Her Majesty's Revenue and Customs (HMRC).

7.1 System Access

The Access accounting system is protected by access permissions to authorised staff. Access permissions should be strictly controlled and individual log-ins and passwords should not be compromised. Access to Access should be restricted and the Director of Finance (in consultation with academy Business Manager) is responsible for determining the access levels for all members of staff using the system.

All leavers with previous access to Access must have their access permissions formally removed.

7.2 Back-up Procedures

The IT Manager are responsible for ensuring that there are effective back up procedures for the system.

The IT Manager should also prepare a disaster recovery plan in the event of loss of accounting facilities or financial data. This should link in with the annual assessment made by the audit committee of the major risks to which the trust is exposed and the systems that have been put in place to mitigate those risks.

7.3 Transaction Processing

All transactions input to the accounting system must be authorised in accordance with the procedures specified. Detailed information on the operation of the Access system can be found in the user manuals.

7.4 Transactions Reports

The Director of Finance will obtain and review system reports to ensure that only regular transactions are posted to the accounting system. The reports obtained and reviewed will include:

- monthly payroll reports
- monthly bank statement reconciliations
- monthly procurement card statements
- monthly VAT returns
- management accounts summarising expenditure and income against budget

7.5 Reconciliations

Business Managers are responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- payroll
- bank balance per the nominal ledger to the bank statement
- procurement cards
- VAT
- trial balance

Any unusual or long outstanding reconciling items must be brought to the attention of the Director of Finance. The Head of School will review and sign all reconciliations as evidence of his review.

8. Financial Planning

8.1 Three Year Budgets

Three-year budgets will reflect the best estimate of the resources available to each academy for the forthcoming years and how those resources are to be utilized by each academy. There should be a clear link between the academy development plan objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of students to estimate the amount of ESFA grant receivable
- review of other income sources available to the individual academies within Carlton Academy Trust to assess likely level of receipts
- review of past individual performance against budgets to promote an understanding of the Trust cost base
- identification of potential efficiency savings
- review of the main expenditure headings in light of the strategic plan objectives and the expected variations in cost, e.g. pay increases, inflation and other anticipated changes
- liaising with external agencies including major suppliers to ensure that the Trust's best financial interests are met

Individual academy plans and budgets will need to be revised until income and expenditure are in balance. Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding.

If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail prioritising tasks and deferring projects until more funding is available.

If a potential surplus is identified at an individual academy within Carlton Academy Trust, this may be held back as a contingency or alternatively carried forward to invest in future years' priorities for the students that the academy serves.

It will be the responsibility of each Local Governing Body's Finance Committee to set/recommend to the full governing body of their respective academy a three-year budget for submission to Carlton Academy Trust board. Such approval should be clearly minuted in sufficient time to allow prompt submission of aggregated plans to the ESFA and should be accompanied by a statement of assumptions and explanations behind the plan so that if circumstances change, it is easier for all concerned to take remedial action.

The Director of Finance, in conjunction with the Chief Executive Officer, are responsible for preparing and obtaining approval for Carlton Academy Trust's three-year budget, which aggregates the budgets of each academy in the Trust. The budget must be approved by the members.

The approved aggregated budget must be submitted to the ESFA by the deadline specified by the ESFA. The deadline date for submission of the academy budget will be set each year and will allow sufficient time for the approval process.

Budgets should be seen as a working document which may need revising throughout the year as circumstances change.

8.2 Monitoring and Review

Budget monitoring reports have been developed in which variances are highlighted for discussion. Monthly reports should be prepared by each academy. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the Head of School, so that up to date figures are available for the Director of Finance on Access.

The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. Any potential overspend against budget must, in the first instance, be discussed with the Director of Finance.

Each academy should present monitoring reports to finance governors six times a year and after approval from this body, the reports should be reported to the academy's Trustees.

9. Payroll

The main elements of the payroll system are:

- staff appointments
- payroll administration
- payments

The payroll is managed by central finance team in conjunction with a payroll bureau.

9.1 Staff Appointments

The Local Governing Bodies have approved a staffing structure for each school in Carlton Academy Trust and the Head of School at each academy must ensure that adequate budgetary provision exists for any establishment changes. Any changes to the staffing structures at individual academies needs to be agreed with the CEO, which stops them employing people who they think they can afford but in reality can't

Trustees of Carlton Academy Trust have the authority to appoint the Chief Executive Officer and the Head of School at each academy. The appointment of a Director of Finance must be approved by the Trustees of Carlton Academy Trust.

Each academy in Carlton Academy Trust maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified to the Business Managers immediately.

The Chief Executive Officer is responsible for ensuring that the Trust's pay policy is implemented.

The Chief Executive Officer is responsible for ensuring that the statutory obligations around the safer recruitment policy and procedures are administered and the HR Manager will be responsible for maintaining accurate records of all staff employed at their school in a single central record.

9.2 Payroll Administration

Carlton Academy Trust payroll is outsourced and administered by Dataplan. Amendments to payroll data, e.g. appointments, resignations, and pay changes, should be authorised and a record kept in personnel files.

All supply teacher, casual working and overtime claims must be checked and confirmed by a budget holder and must be forwarded promptly to the academy's HR/Business Manager.

9.3 Payroll Payments

All staff are paid monthly by bank credit transfer to their bank accounts. Dataplan payroll system automatically calculates the deductions due from payroll to comply with legislation. The major deductions are for tax, National Insurance contributions and pensions.

Business Managers should undertake a monthly reconciliation between the current month's actual expenditure and the budgeted payroll costs. Any variations should be investigated and reported to the Head of School and queries raised immediately with Dataplan. The reconciliation should be signed by both the Business Manager and the Head of School to verify the accuracy of the payments made.

Carlton Academy Trust has a responsibility for ensuring that all payments to individuals are subject to tax and national insurance deductions where appropriate. In order to achieve this, the following guidelines should be followed:

- an assessment must be made as to whether the individual is providing a contract of service (i.e. employed) or a contract for services (i.e. self-employed),
- if considered to be a contract of service, the individual shall be set up as an employee of the school before receiving payment through the payroll
- where an individual seeks payment from the school for a contract for services, this must be in the form of an invoice

Careful attention should be paid to repetitive payments to individuals.

10. Procurement

The Trust wants to achieve the best value for money from all our purchases. This means we want to get what we need in the correct quality, quantity and time at the best price possible. A large proportion of their purchases will be paid for with public funds and we need to maintain the integrity of these funds by following the general principles of:

- **Probity:** it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the Academy
- **Accountability:** the Academy is publicly accountable for its expenditure and the conduct of its affairs
- **Fairness:** that all those dealt with by the Academy are dealt with on a fair and equitable basis.

10.1 Routine Purchasing

Budget holders will be informed of the budget available to them as soon as the budget is formally ratified and approved by their Governing Body. It is the responsibility of the budget holder to manage their element of the budget and to ensure that the funds available are not overspent.

It is essential that all of the following controls are adhered to:

- orders should not be entered into verbally
- the use of 'Official Order Forms' through the local system automatically updates the financial records and enables committed expenditure to be included in management information for governors

- in exceptional circumstances (e.g. emergency repairs) orders may be placed by telephone. In such circumstances a confirmation order should be generated. Orders may be faxed to suppliers, in order to reduce timelines.
- orders should only be approved in accordance with the authorised limits within the scheme of delegation
- orders may only be used for goods and services provided to Carlton Academy Trust. Private individuals and other organisations may not use 'Official Order Forms' to obtain work, goods, materials and services net of VAT
- orders under £10,000 - can be ordered by budget holders, who will be responsible for ensuring that reasonable steps have been taken to achieve Best Value. Best Value could be achieved by:
 - supplier chosen from the list of approved suppliers maintained by the Finance Office
 - bulk purchasing of common consumables
 - negotiating discounts
 - taking advantage of sale seasons
 - obtaining alternative quotations wherever possible
- orders for goods, services and contracts over £10,000 but less than £75,000 - at least three written quotations are required to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained by Business Manager for audit purposes and approved by the CFO and CEO.
- orders for goods, services and contracts over £75,000 - all goods/services ordered with a value over £75,000, or for a series of contracts which in total exceed £75,000, must be subject to three written quotations/tendering process (inc OJEU) and must be referred to the CFO with all necessary paperwork from the Head of School, who will in turn liaise with the Trustees/Audit Committee for formal approval.
- orders for goods, services and contracts over £75,000 – will be subject to a tendering policy and must be advertised via the OJEU to ensure value for money.

The academy budget holder or the academy Business Manager must make appropriate arrangements for the delivery of goods and services to the academy. On receipt of goods and services there must be a detailed check of the goods and services received against the purchase order (or equivalent in exceptional circumstances). All discrepancies should be discussed with the supplier of the goods and services without delay.

All invoices should be sent to the academy's Business Manager to be checked against the Access numbered order (or equivalent in exceptional circumstances) and the delivery note to evidence the following:

- invoice arithmetically correct
- goods/services received
- goods/services as ordered
- prices correct.

Invoices will be authorised for payment by the relevant cost centre holder and then passed to the academy's Business manager for recording and payment through Access.

10.2 Procurement Cards

Procurement cards are held by named cardholders in each academy. Each cardholder is personally responsible for the safe custody of their card. The card should be held securely at all times and any loss of cards should be reported immediately. The cardholder, Business Manager and Head of School are jointly liable for the integrity of all transactions and proper and controlled use of the procurement card. All receipts must be produced and reconciled to the monthly statement by the Business manager and reviewed and signed off by the Head of School.

Appendix One – Full Scheme of Delegation

Delegated Duty	Value	Delegated Authority	Method
Ordering Goods, Services and authorising contracts	Up to £10,000	Budget Holder	Selection from preferred supplier list
	£10,001 to £75,000	Approval from CFO and CEO	Minimum of three written quotes or tenders, including advertising in OJEU [if over threshold]
	Over £75,000	Trustee Approval: may be delegated to Chair of Trustees or Audit & Risk Committee	Minimum of three quotes (inc OJEU), and information from HoS to next trustees meeting.
	Authority to accept other than lowest quotation or tender	Commensurate with purchasing limits	
Signatories for cheques, BACS payment authorisations and other bank transfers	Any	All payments are to be authorised by the CEO and CFO	
Virement of budget provision between budget heads	Up to £10,000	Approval from CFO	
	£10,001 to £50,000	Approval from CFO and CEO	
	over £50,000	Trustee Approval: May be delegated to Chair of Trustees or Audit & Risk Committee	
Borrowing	Any amount	Approval from CFO and CEO with referral to Chair of Trustees/Audit Committee	ESFA approval needed
Novel, contentious and repercussive transactions	Any	Approval from CFO and CEO	ESFA approval needed
	Up to £50,000	Approval from CEO and CFO	
	Over £50,000	Approval from CEO with referral to Chair of Trustees/Audit Committee	ESFA approval needed
Ex-gratia payments	Any	Approval from CFO and CEO	ESFA approval needed
Acquisition and disposal of fixed assets	Acquiring/Disposing Freehold land/buildings and heritage assets	Approval from Trustees	ESFA approval needed
	Other disposals	Approval from CFO and CEO	
Write-offs, guarantees, letters of comfort, and indemnities	1% of annual income of £45,000 individually 2.5% or 5% annual income cumulatively	Approval from CEO (Must be reported to the Audit Committee)	ESFA approval needed
	Below above limits	Approval from CEO	
Leases (Not land or buildings)	Up to £10,000	Approval from CFO	
	£10,001 and above	Approval from CFO and CEO	
Leases or Tenancy Agreements for land or buildings	Any Amount	Approval from CEO and CFO	ESFA approval needed

Appendix One – School Level Scheme of Delegation

Delegated Duty	Value	Delegated Authority	Method
Ordering Goods, Services and authorising contracts	Up to £10,000	Budget Holder	Selection from preferred supplier list
	£10,001 to £75,000	Approval from CFO and CEO	Minimum of three written quotes or tenders, including advertising in OJEU [if over threshold]
	Over £75,000	Trustee Approval: may be delegated to Chair of Trustees or Audit & Risk Committee	Minimum of three quotes (inc OJEU), and information from HoS to next trustees meeting.
	Authority to accept other than lowest quotation or tender	Commensurate with purchasing limits	
Virement of budget provision between budget heads	Up to £10,000	Approval from CFO	
	£10,001 to £50,000	Approval from CFO and CEO	
	over £50,000	Trustee Approval: may be delegated to Chair of Trustees or Audit & Risk Committee	
Borrowing	Any amount	Approval from CFO and CEO with referral to Chair of Trustees/Audit Committee	ESFA approval needed
Novel, contentious and repercussive transactions. Ex-gratia payments. Write-offs, guarantees, letters of comfort, and indemnities.	Any	Approval from CFO and CEO	ESFA approval needed
Staff severance and compensation payments	Up to £50,000	Approval from CEO and CFO	
	Over £50,000	Approval from CEO with referral to Chair of Trustees/Audit Committee	ESFA approval needed
Acquisition and disposal of fixed assets	Any disposal	Approval from Trustees	ESFA approval needed
Leases (Not land or buildings)	Up to £10,000	Approval from CFO	
	£10,001 and above	Approval from CFO and CEO	
Leases or Tenancy Agreements for land or buildings	Any Amount	Approval from CEO and CFO	ESFA approval needed