



ILKLEY GRAMMAR SCHOOL

AN ACADEMY TRUST

Scheme of Delegation

Approved:

Full Board

19 September 2016

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1 Powers and Duties Reserved for the Board of Directors

The Board of Directors shall be responsible for:

General

1.1 Approval of a written scheme of delegation of its financial powers and duties to its Resources Committee, the Headteacher and other staff. The scheme must satisfy the Board of Directors' ultimate responsibility for ensuring that there are adequate operational controls in place for all the financial processes within the Academy.

Budgets/Budgetary Control

1.2 Formally approving the annual Academy budget prior to the start of each financial year.

1.3 Considering budgetary control reports from the Resources Committee once per term, with relevant explanations and documentation where required.

1.4 Authorisation of all virements of sums between budget heads in excess of £100,000. Details of all changes to the forecast surplus/deficit approved and authorised by the Resources Committee are to be formally notified to the Board of Directors.

Purchasing

1.5 Maintenance of a Register of Business Interests for all Governors and those Academy staff with financial responsibilities.

1.6 Authorisation of the advertising of tenders above £172,514 (the OJEU limit), and authorising the award of such tenders (unless operated via a government framework).

1.7 Tenders other than the most financially favourable, or late tenders, can only be accepted by the Board of Directors who shall minute the reasons for their decision.

Income

1.8 Authorisation of the write off of debts not collectable over £5,000

Security of Assets

1.9 Authorisation of the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with an original purchase value in excess of £5,000.

Accounts and Audit

1.10 Review and approval of the risk register annually.

1.11 Inform the EFA if it suspects any irregularity affecting resources.

1.12 Formally recommend approval of the annual Academy Report and Accounts prior to approval by the Members and submission to the Secretary of State by 31 December.

Powers and Duties Reserved for the Board of Directors (*continued*)

Personnel

1.13 Appointment of the Headteacher and the Business & Finance Director (in conjunction with the Headteacher).

1.14 The Headteacher's performance review group, may make a decision to suspend the Headteacher after taking advice from Fusion HR and Schofield Sweeny LLP.

1.15 The full board must be consulted prior to any possibility of the dismissal of the Headteacher. After taking into account the views of all directors the Headteacher's performance review group will make the decision to dismiss the Headteacher.

1.16 Approval of Headteacher's salary, LT spine and UPS pay awards, delegated to the Pay Committee.

2 Powers and Duties Delegated to the Resources Committee

The Resources Committee shall be responsible for:

General

2.1 Exercising the powers and duties of the Board of Directors in respect of the financial administration of the Academy, except for those items specifically reserved for the Board of Directors and those delegated to the Headteacher and other staff.

2.2 Reporting on decisions taken under delegated powers to the next meeting of the Board of Directors.

Budgets/Budgetary Control

2.3 Reviewing the annual Academy budget prior to the start of each financial year and recommending its acceptance, or otherwise to the Board of Directors.

2.4 Authorisation of all changes to the forecast surplus/deficit up to £100,000. Details of all changes to the forecast surplus/deficit approved and authorised by the Resources Committee are to be formally notified to the Board of Directors.

2.5 Considering budgetary control reports on the Academy's financial position at every meeting, taking appropriate action to contain expenditure within the budget and report to the Board of Directors.

2.6 Authorising the virement of sums between budget heads between £50,000 and £100,000 and reviewing sums above £20,000 as approved and authorised by the Headteacher and Business & Finance Director, which are to be formally notified to the Resources Committee who shall minute the notification.

2.7 Reporting to the Board of Directors all significant financial matters and any actual or potential overspending.

Purchasing

2.8 Authorising the award of orders and contracts over £50,000 and up to £172,514.

Payroll and personnel

2.9 Authorising changes to the Academy personnel establishment where the cost is beyond the approved budget.

2.10 Authorising salary increases of 20% or higher.

Income

2.11 Authorisation of the write off of debts not collectable between £1,000 and £5,000

Insurances

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

Security of Assets

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

2.14 Authorising the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with an original purchase value of up to £5,000 and reporting such authorisations to the Board of Directors.

Powers and Duties Delegated to the Resources Committee *(continued)*

Accounts and Audit

2.15 Reviewing the draft financial statements and highlighting any significant issues to the Board of Directors, prior to submission to the Secretary of State by 31 December.

2.16 Appointment of the external auditors and review of external audit reports.

2.17 Reviewing the reports of the Responsible Officer on the effectiveness of the financial procedures and control. These reports must also be reported the Board of Directors.

3 Financial Powers and Duties Delegated to the Headteacher

The Headteacher shall be responsible for:

Budgetary control

3.1 Reviewing income and expenditure reports and highlighting actual or potential overspending to the Resources Committee.

3.2 Approving virements between budget headings, with the Business & Finance Director between £10,000 and £50,000. Virements over £20,000 are to be notified to the Resources Committee.

Financial Management

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

Purchasing

3.4 Authorising orders and contracts over £10,000 and up to £50,000 in conjunction with the Business & Finance Director.

3.5 Ensuring that all contracts and agreements conform to the Financial Regulations.

Payroll and Personnel

3.6 Approving new staff appointments and making contractual changes to existing staff within the approved budget in conjunction with the Business & Finance Director. Salary increments are subject to a limit of 20%.

3.7 Authorising permanent changes to the Academy's establishment except for those posts specifically delegated to the board of directors within the approved budget. This includes the appointment of members of the Extended Leadership Team and Heads of Departments.

3.8 Certifying the payment of salaries each month, in conjunction with the Business & Finance Director.

Security of Assets

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

Accounts and Audit

3.10 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.

3.11 Ensuring that full, accurate and up to date records are maintained in order to provide financial and statistical information.

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

4 Financial Powers and Duties Delegated to the Business & Finance Director

The Business & Finance Director shall be responsible for:

Budgets/Budgetary Control

4.1 Preparing an annual draft budget plan for consideration by the Resources Committee and Board of Directors before the start of the relevant financial year.

4.2 Monthly monitoring of expenditure and income against the approved budget and submitting reports on the Academy's financial position to every meeting of the Resources Committee. Any actual or potential overspending shall be reported to the Headteacher and the Resources Committee.

4.3 Approving virements between budget headings of under £10,000 and reporting such approval to the Headteacher.

Purchasing

4.4 Authorising orders and contracts up to £10,000 in conjunction with Budget Holders.

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

4.6 Retention of quotes obtained for goods, works and services.

4.7 Ensuring that all correct invoices are duly certified by authorised staff before payments are made and that invoices, vouchers and other records are retained and stored in a secure way and are readily available for inspection by authorised persons.

4.8 Ensuring the appropriate division of duties between staff responsible for processing orders, receiving deliveries and processing payments.

Payroll and Personnel

4.9 Ensuring that the monthly payroll is checked, and certifying it for payment in conjunction with the Headteacher.

Income

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

4.11 Authorisation of the write off of debts not collectable below £1,000.

Banking Arrangements

4.12 Maintaining proper records of account and reviewing monthly bank reconciliations.

Insurances

4.13 Notifying the Headteacher and the Resources Committee on any eventuality that could affect the Academy's insurance arrangements.

Security of Assets

4.14 Maintaining a permanent and continuous register of all items of furniture, equipment, vehicles and plant.

Information and Communication Systems

4.15 Maintaining the standards 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.

5 Financial Powers and Duties Delegated to Other 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 other staff in addition to the Headteacher and the Business & Finance Director.

Budgets/Budgetary Control

5.1 Heads of Departments appointed as Budget Holders are responsible for checking and certifying monthly statements of expenditure against their delegated budget and for reporting any errors or irregularities to the Business & Finance Director. Any actual or potential overspending shall also be reported to the Business & Finance Director.

Purchasing

5.2 Budget Holders can authorise orders up to £1,000 provided it is within the scope and remaining balance of their delegated budget.

5.3 The following members of staff, in addition to the Headteacher and Business & Finance Director, are authorised to open tenders in the presence of another authorised person:

- Deputy Headteacher
- Procurement and Contracts Manager

5.4 The following members of staff are authorised to receive and check goods:

- Budget Holders
- Administrators nominated by the Budget Holder

Payroll

5.5 Budget Holders can authorise time records and authorise overtime within their departments in conjunction with their Leadership Team Link.

6 Summary of Financial Authorisation Levels

Delegated Duty	Value	Delegated Authority	Method
Ordering Goods and Services (raising requisitions)	Up to £1,000	Budget Holder	Selection from preferred supplier list unless agreed otherwise with the Business & Finance Director.
	£1,001 to £10,000	As above plus Business & Finance Director	Minimum of three written estimates.
	£10,001 to £50,000	As above plus Headteacher	Minimum of three written quotations or formal tendering process as appropriate
	£50,001 to £172,514	As above plus Resources Committee	Formal tendering process
	Over £172,514	Board of Directors	Formal tendering process, including advertising in OJEU
	Authority to accept other than lowest quotation or tender	Resources Committee	
Authority to accept other than lowest quotation or tender	£10,001 to £50,000	Business & Finance Director and Headteacher	
	£50,001 to £172,514	As above plus Resources Committee	
	Over £172,514	Board of Directors	
Signatories for cheques, BACS payment authorisations and other bank transfers	Any	Two signatories from: -Business & Finance Director -Headteacher -Deputy Headteacher	
Signatories for EFA grant claims and EFA returns	Any	Two signatories (or as required by EFA) from: - Business & Finance Director - Headteacher - Deputy Headteacher	
Virement of budget provision between budget heads	Up to £10,000	Business & Finance Director	
	Between £10,000 and £20,000	As above plus Headteacher	
	Between £20,000 and	As above plus reporting to	

	£50,000	Resources Committee	
	Between £50,000 and £100,000	Resources Committee plus reporting to Board of Directors	
	Over £100,000	Board of Directors	
Disposal of assets	Up to £5,000	Resources Committee	
	£5,001 to £20,000	As above plus Board of Directors	
	Over £20,000	As above, plus EFA approval required for disposal of assets funded with more than £20,000 of EFA grant, or transferred from an LA at nominal consideration	
Write-off of bad debts	Up to £1,000	Business & Finance Director	
	£1,001 to £5,000	As above plus Resources Committee reporting to Board of Directors	
	Over £5,000	Board of Directors plus EFA approval	
Purchase or sale of any freehold property	Any	EFA approval required	
Granting or take up of any leasehold or tenancy agreement exceeding three years	Any	EFA approval required	
Raising invoices to collect income	Up to £5,000	Business & Finance Director	
	£5,001 to £10,000	As above plus Headteacher	
	£10,001 to £100,000	As above plus Resources Committee	
	Over £100,000	Board of Directors	