



Astrea Academy Trust

INSPIRING BEYOND MEASURE

Scheme of Delegation of Financial Powers 2018/19

Date	April 2019
Written by	Head of Trust Finance
Adopted by Trust Board	April 2019
Review Date	July 2019, then annually upon publication of the Academies Financial Handbook

Budgeting and Reporting

Role	Value	Delegated Authority	Method	Review Period
Budget setting process		Education Director and Principal	Agree academy improvement priorities for the next 3 years.	Annual
		Academy Principal and Hub Finance Manager	Draft budget plan for Executive Finance Director and Head of Finance review.	Annual
		Executive Finance Director	Approve academy budgets to be reviewed by the Executive Board.	
		Astrea Executive Board	Agree budgets by academy and approve submission to the FRA Committee.	Annual
		Finance, Risk and Audit Committee	Approve or reject individual academy budgets at the FRA Committee with a recommendation to the Trust Board.	Annual
		Trust Board	Accept or reject the recommendation from the FRA Committee. If the recommendation is rejected by the Trust Board from the FRA Committee then the CEO is to provide a recommendation to the Trust Board of a budget plan for Astrea.	Annual
Budget holders responsibilities	As per the individual budgets set	Principal, School Business Office/Manager and Hub Finance Manager	Budget monitoring is the responsibility of the budget holder with the Hub Finance Manager and the budget must not be overspent at any time during the year unless through prior agreement from the appropriate authorisation level.	Monthly

Monthly Management Accounts		Hub Finance Manager in conjunction with School business/office manager and Principal.	All transactions to be processed and accurately accounted by the academy. Final accounts to be completed by day +5 and then to produce the monthly management accounts with commentary.	Monthly
Monthly Management Accounts		Executive Finance Director and Head of Trust Finance	Monthly reporting pack to be produced and sent to the CEO and Executive Board. A copy is also to be sent to the Chair of Trustees and all Trustees on the FRA Committee.	Monthly
ESFA Reporting		Accounting Officer in conjunction with Chief Finance Officer, (Astrea Auditors and Financial Consultants at year end statutory accounts).	An annual Financial Reporting Timetable will be released by the ESFA dates and requirements will be included on this timetable of submissions to the ESFA i.e Forecasts and Budget returns.	Yearly
Opening a bank account		FR&A Committee	The EDF is responsible for selecting the banking institution and negotiating terms and conditions. The FR&A Committee must authorise the opening of all bank accounts in writing (delegated authority). The Trustees must be informed of any changes in writing. The EDF must ensure that in the event of changes to key personnel or Trustees, signatories will be changed immediately and the bank notified. Online access should also be removed.	As required

Income

Role	Value	Delegated Authority	Method	Review Period
Collection and receipt of cash and cheques	Any	School Business/Office manager or delegated administration assistant	Cash must be receipted by the person with delegated authority and recorded in an appropriate way (i.e spreadsheet) as well as allocated in the Finance system. All on site cash and cheques must be locked in the safe until banking.	Daily
Sales invoices	Up to £15,000	School Business/Office Manager	All sales invoices must be processed through the financial management system, and issued in a timely manner.	As required
	£15,000 to £100,000	School Business Manager/Office Manager and Principal	Principal to authorise the issuing of sales invoices above £15,000.	As required
Sales invoices	Over £100,000	Executive Finance Director and CEO	Two Executive members as indicated to approve the issuing of sales invoices above £100,000.	As required
Banking of cash and cheques	Any	School Business/Office Manager or delegated administration assistant	Cash and cheques should be banked on a weekly basis and should not be allowed to accumulate above £1,000. Banking should be checked and agreed by another member of staff before being banked and should relate back to receipts issued.	As required
Reconciliation of bank accounts		Central Finance Officers and Head of Trust Finance	Bank accounts should be fully reconciled on Day+5 on a monthly basis by someone other than the person doing the banking. Bank reconciliations should then be signed dated by the Head of Trust Finance every month (reconciled to TB) and filed.	Monthly
Petty Cash		School Business/Office Manager or delegated administration assistant	No petty cash should be available at Astrea academies. The use of Parentpay is to be encouraged at academies. Any cash received at the academy from parents, staff etc. should be kept in a locked tin and stored in the school safe. Any monies received should be appropriately accounted for in the finance system	Weekly

Purchases and Payments

Role	Value	Delegated Authority	Method	Review Period
Purchase orders and procurement	Up to £10,000	School Business manager/Office Manager and Principal	Orders should be placed with approved suppliers unless agree otherwise with School Business/Office Manager. Orders should be written on approved purchase order pro forma forms and authorized by the Principal before being processed in the financial management system, and before order is placed with supplier. Approved paper based orders should be entered into the financial management system by someone other than the person who approved the order. Any order is approved by the Principal in the finance system and only at this point can the order be placed.	Monthly
	£10,000 to £25,000	Principal with notification to the Finance Director.	As above however minimum three quotes must be written if it is a new supplier or acquisition.	Monthly
	£25,000 to £39,999	Executive Team member in conjunction with the Exec. Finance Director.	Formal tendering process to be undertaken for any acquisition or payment authorization, two Exec. Directors authorization.	Monthly
	£40,000 to £99,999	Executive Team member in conjunction with the Exec. Finance Director.	Formal tendering process (high value) to be undertaken for any acquisition or payment authorization, two Exec. Directors authorization.	Monthly
	£100,000 to £181,301	Two Executive Team member in conjunction with the Exec. Finance Director.	Formal tendering process (high value) to be undertaken for any acquisition or payment authorization to have two Exec. Directors authorization plus Executive Director.	Monthly
	£181,302 (supply and service contracts)	Executive Board, notified to the Finance, Risk and Audit Committee	Formal tendering process to be undertaken according to the OJEU process .	Monthly

	£615,278 (social and specific services) £4,551,413 (works contracts)			
Individual payment by BACs or faster payments	Below £10,000	Head of Trust Finance	Individual payments to any supplier or individual to the value of £10,000 or below needs to be signed by the Head of Trust Finance	As required
Individual payment by BACs or faster payments	£10,001 - £30,000	Executive Finance Director and Head of Trust Finance	Individual payments to any supplier or individual within these limits need to be signed by the Executive Finance Director and Head of Trust Finance.	As required
Individual payment by BACs or faster payments	Over £30,000	Two signatories required from Executive Directors or CEO.	Individual payments to any supplier to the value of £30,000 or above need to be signed by two individuals in the delegated authority column.	As necessary
Severance payments by BACs or faster payments	Over £49,999	Two signatories required from Executive Directors or CEO and ESFA approval.	Individual payments to any person to the value over £49,999 or above need to be signed by two individuals in the delegated authority column and request authority from the ESFA.	As necessary
Redundancies	Any	CEO to approve all redundancies	Upon completion of the required process, the CEO must be asked to confirm the redundancy.	As necessary

Role	Value	Delegated Authority	Method	Review Period
Credit Card	Limited to £1.5k primary schools, £5K secondary schools, Director of Finance £5k, CEO £10K limit.	Principal and School Business/Office Manager	<p>Must be kept on the individual person at all times when not in use. All transactions must be supported by a receipt and logged on a spreadsheet. Orders should be placed only by the card holder. The SBM should on a monthly basis allocate the spend within the PS Financial system.</p> <p>When a card holder leaves Astrea the card must be returned to their immediate line manager who must destroy the card. The card should then be returned to the Head of Trust Finance with a request for closure. The Head of Trust Finance will cancel the card on the Corporate Card online platform immediately upon receipt.</p>	Monthly
Standing orders and direct debits		Sign off by two Directors as per banking signatory mandate requirement	No changes can take place to the bank accounts unless signed off by two Directors as per the banking signatory mandate.	As necessary
Ex gratia payments	Any	ESFA approval required	ESFA approval	As necessary
Liabilities and Write-Offs	Up to £1,000	Head of Trust Finance	Proposed write-offs should be sent to the Head of Trust Finance for approval. Relevant approvals will be collated/documentated before journal adjustment in PSF.	Annual
	£1,001 - £5,000	Head of Trust Finance and EDF		
	£5,001 - £45,000	Executive Director of Finance and CEO		
	£45,000 individually; 2.5% of total annual income cumulatively in one category; £250,000 ceiling	Secretary of State (ESFA)		

Role	Value	Delegated Authority	Method	Review Period
Purchase or sale of any freehold property	Any	ESFA approval required		Annual
Granting any leasehold or tenancy agreement	Any	ESFA approval required		Annual
Taking up any leasehold or tenancy agreement for more than seven years	Any	ESFA approval required		Annual
Taking up a finance lease on any class of asset for any duration from another party	Any	ESFA approval required		Annual

Wages and Salaries

Role	Value	Delegated Authority	Method	Review Period
Appointment of additional Staff	Up to senior leadership team	Principal and Hub Finance Manager with budget approval from the Executive Board.	Business case to be submitted to Executive board with Finance comments requesting additional staff member.	Annual
	Deputy Principal	Director of Education with Principal, budget approval of Executive Team.	Business case to be submitted to Executive board with Finance comments requesting additional staff member.	Annual
Appointment of replacement Staff	Up to senior leadership team	Principal with budget approval of Hub Finance Manager and Exec. Finance Director.	Business case to Exec Board stating clearly it's a staff replacement with Finance Managers comments.	Annual
	Deputy Principal	Director of Education with Principal, budget approval of Executive Team.	Business case to Exec Board stating clearly it's a staff replacement with Finance Managers comments.	Annual
	Principal	Director of Education and CEO, budget approval of Executive Team.	Discussion at Exec Board with review of current budget.	Annual
Payroll Processing		School Business/Office Manager and Principal	School Business/Office Manager to check monthly payroll (two runs) and make any necessary changes or adjustments. Monthly payroll and any changes must be authorised and signed off by the Principal with a Principal signing off the final payroll report prior to payment.	Monthly

Contracts of employment		School Business Manager and Principal	All employee contracts and variations need to be kept up to-date. Any contract changes need to be authorised by the appropriate authority level as per (Appointment of staff) authority and filed in the staff members file (central record). These contracts will be periodically checked by Central HR and the auditors.	As required
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Assets

Role	Value	Delegated Authority	Method	Review Period
Capital Asset register	£2,000.00	Business/Office Manager or on-site ICT staff member and Hub Finance Manager	Any assets to the value of £2,000 individually will need to be recorded in an asset register and depreciated according to the Statutory Accounts.	Monthly and annually
General Assets			Revenue assets also to be recorded in the School PS Asset Manager and clearly recorded.	