



**Astrea Academy Trust**  
INSPIRING BEYOND MEASURE

## **Financial Scheme of Delegation 2023/24**

Date	September 2023
Written by	Chief Finance Officer
Adopted by Trust Board	July 2023
Version	1
Review Date	July 2024, then annually upon publication of the Academy Trust Handbook

## Procurement and Purchase Order Limits – a Purchase Order can only be for the current Academic Year

Value	Approval	Method
Up to £10,000	Principal or appropriate delegated authority or Head of Dept (Central functions)	Where possible orders should be placed with existing suppliers. If a new supplier is required then the new supplier form must be completed in advance.
£10,001 to £25,000	Regional Director (Academy) or CFO (Central functions)	A minimum of three quotes are required for a new supplier or acquisition, to be detailed on the Procurement Approval Form (PAF) which must be attached to the PO requisition.
£25,001 to £50,000	Director of Education (Primary or Secondary) or COO or CFO (Central functions)	There may be instances where this is not reasonable, in such instances, refer to the Procurement policy and where appropriate, submit a case to be approved by the Procurement team.
£50,001 to £100,000	CFO	All Purchase Orders need to be accompanied by a completed Procurement Approval Form (PAF) detailing how the purchase complies with the Procurement Policy.
£100,001 to:- £300,000 (per annum for contracts) £5,336,937 (being the public sector procurement threshold) for works	CEO, who may delegate in writing	Any purchase with a contract value over £177,897 ex VAT for goods and services (over £59,299 per annum for a 3 year contract) will need to have followed a process which is compliant with Public Contract Regulations (PCR) 2015. Please contact the Procurement team for assistance with ensuring compliance BEFORE any supplier commitments are made.
Over £300,000 (goods and most services); £5,336,937 (works contracts)	FAB Committee	For any new supplier or acquisition either an approved framework agreement or formal tendering process to be undertaken in line with <u>the Procurement Policy</u> . Finance and Budget Committee approval required, notified to the Board
For retained contracts, the purchase order will be raised for the forecasted total value for the academic year, but the Trust recognises that urgent variable costs might arise, for example in respect of remedial estates or legal work.		

## Payments

Role	Value	Delegated Authority	Method
Individual invoices/items payment by BACs or faster payments	Over £5,000	Chief Finance Officer (CFO) who may delegate in writing to Lead Finance Manager (Primary or Secondary)	Individual invoice payments to any supplier or individual for a value greater than £50,000 need to be authorised by two individuals in the delegated authority column.
Severance payments by BACs or faster payments	Over £49,999	ESFA approval required.  Two signatories required from Executive Directors or CEO.	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 authority is required from the ESFA.
Redundancies and terminations	Any	CEO to approve all redundancies on advice from CFO and COO	COO to advise on regularity and HR process; CFO to advise on affordability and financial impact; CEO to approve
Credit Card	Individual cards are limited to £1.5k primary schools, £5K secondary schools, £10k Trust Finance	Cardholders as authorised, typically Principal and School Operations/Office Manager in schools	Credit cards should only be used for purchases where the standard invoicing method is not available.  Credit cards must always be kept on the person of the card holder or in the school safe.  All transactions must be supported by a receipt and recorded on the financial system in a timely manner and no later than by the end of the month.  Orders should be placed only by the card holder.  When a card holder leaves Astrea the Trust Finance Team Leader must be immediately informed and the card must be returned to the card holders immediate line manager who must destroy the card.
Standing orders and direct debits		Sign off by two signatories as per banking signatory mandate requirement	All requests should be sent to the Procurement Team for approval.



## Income

Role	Value	Delegated Authority	Method
Collection and receipt of cash and cheques	Any	School Operations/Office Manager or delegated administration assistant	Cash must be receipted by the person with delegated authority and recorded on the Finance system in a timely manner. All on site cash and cheques must be locked in the safe.
Banking of cash and cheques	Any	School Operations/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.
Sales invoices	Up to £5,000	School Operations/Office Manager	Sales invoices must be raised on the financial system in a timely manner for all income due from a third party
	£5,001 to £25,000	Finance Manager	Approval required prior to invoice being raised
	£25,001 to £100,000	Chief Finance Officer (CFO)	Approval required prior to invoice being raised
	Over £100,000	CEO	Approval required prior to invoice being raised
Reconciliation of bank accounts		Financial Controller	The Financial Accountant should ensure bank accounts are fully reconciled on a monthly basis. Bank reconciliations should be checked by the Financial Controller every month.
Petty Cash		School Operations/Office Manager or delegated administration assistant	No petty cash should be available at Astrea academies (unless no other viable options exist and this is agreed in advance with the Financial Controller).

Role	Value	Delegated Authority	Method
Debt Write-Offs	Up to £2,500	Financial Controller	Proposed write-offs should be sent to the Financial Controller for approval.
	£2,501 - £10,000	Chief Finance Officer (CFO)	
	£10,001 - £45,000	CEO	
	£45,000 individually; 2.5% of total annual income cumulatively in one category; £250,000 ceiling	Secretary of State (via ESFA)	

## Other Transactions

Role	Value	Delegated Authority	Method
Contracts	Any	Procurement team	All new contracts and contract renewals need sending to the Procurement team for authorisation before agreement is reached
Purchase or sale of any freehold property	Any	ESFA approval required	
Granting any leasehold or tenancy agreement	Any	ESFA approval required	
Taking up any leasehold or tenancy agreement for more than seven years	Any	ESFA approval required	
Taking up a finance lease on any class of asset for any duration from another party	Any	ESFA approval required	
Ex gratia payments	Any	ESFA approval required	
Related Party Transactions	£20,000 individually or cumulatively in the financial year	ESFA approval required	The Trust must inform ESFA of all related party transactions prior to their commencement. See 5.41 of the Academy Trust Handbook.
Fixtures, Furniture and Equipment	Up to £2,000	Operations/Office Manager or on-site ICT staff member	Recorded in the School asset management software and individually tagged.
Fixtures, Furniture and Equipment	Over £2,000	Operations/Office Manager or on-site ICT staff member	Recorded in the Trust asset register and depreciated according to the depreciation policy in the statutory accounts. Recorded in the School asset management software and individually tagged.

## Budgeting and Reporting

Role	Value	Delegated Authority	Method
Budget setting process		Education Director and Principal	Agree academy improvement priorities for the next 3 years.
		Academy Principal and Hub Finance Manager	Draft budget plan for Chief Finance Officer (CFO) review.
		Chief Finance Officer (CFO)	Approve academy budgets to be reviewed by the Executive Board.
		Astrea Executive Board	Agree budgets by academy and approve submission to the FAB Committee.
		Finance & Budget Committee	Approve or reject individual academy budgets at the FAB Committee with a recommendation to the Trust Board.
		Trust Board	Accept or reject the recommendation from the FAB Committee. If the recommendation is rejected by the Trust Board from the FAB Committee then the CEO is to provide a recommendation to the Trust Board of a budget plan for Astrea.
Budget holders responsibilities	As per the individual budgets set	Principal, School Operations/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 Management Accounts		Hub Finance Manager in conjunction with School Operations/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.



Role	Value	Delegated Authority	Method
Monthly Management Accounts		Chief Finance Officer (CFO)	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 FAB Committee.
ESFA Reporting		Accounting Officer in conjunction with Chief Finance Officer	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.
Managing Bank Accounts		Executive Board members	<p>Bank accounts will only be opened in line with the Trust's investment policy, for the purpose of implementing this policy. The Financial Controller is responsible for selecting the banking institution and negotiating terms and conditions where appropriate.</p> <p>Two Executive Directors must authorise the opening of all bank accounts in writing.</p> <p>The Financial Controller must ensure that in the event of changes to key personnel, access to bank accounts is removed, and signatories are updated immediately.</p>

## Wages and Salaries

Role	Value	Delegated Authority	Method
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.
	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.
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.
	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.
	Principal	Director of Education and CEO, budget approval of Executive Team.	Discussion at Exec Board with review of current budget.
Payroll Processing		School Operations/Office Manager and Principal	School Operations/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.

Role	Value	Delegated Authority	Method
Contracts of employment		School Operations/Office 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.