



**Chatsworth Multi Academy Trust**  
Achieving Excellence Together

**The Chatsworth Multi Academy Trust**

# **Scheme of Financial Delegation**

Adopted: 1<sup>st</sup> December 2020

To be Reviewed: 30<sup>th</sup> November 2021

## **A. Financial Powers and Duties Reserved for the Board of Trustees**

### **1. General**

- 1.1. To approve and adopt a written Scheme of Financial Delegation of its authority, financial powers and duties and those of its Committees, Local Governing Bodies or its equivalent of organisations in the Chatsworth Multi Academy Trust, the Chief Executive Officer and the Headteacher or Principal of organisations in the Chatsworth Multi Academy Trust.
- 1.2. The Scheme of Financial Delegation must ensure that there are adequate operational controls in place within The Chatsworth Multi Academy Trust.
- 1.3. The Scheme of Financial Delegation should be operated in conjunction with the *Scheme of Delegation* and the *Financial Regulations Manual* of the Chatsworth Multi Academy Trust.

### **2. Budgets and Budgetary Controls**

- 2.1. To approve the annual budget of the Chatsworth Multi Academy Trust prior to the start of each financial year to ensure timely submissions to the Education and Skills Funding Agency (ESFA).
- 2.2. To approve the annual budget of each organisation in the Chatsworth Multi Academy Trust prior to the start of each financial year to ensure timely submissions to the Education and Skills Funding Agency (ESFA).
- 2.3. To consider reports from the Finance Committee at every meeting with relevant explanations and documentation where required.
- 2.4. To authorise of any deficit budgets within the Chatsworth Multi Academy Trust.
- 2.5. Management accounts must be shared with the Chair of Trustees and the Chair of the Finance Committee every month and with all other Trustees six times a year.
- 2.6. Manage bank accounts for all organisations in the Trust
- 2.7. To delegate expenditure as follows
  - Headteacher and Principal - £10,000
  - Chief Executive Officer - £30,000
  - Finance Committee - £100,000
  - Trustee Board - £100,000 plus

### **3. Purchasing**

- 3.1. To authorise the advertising of tenders above £100,000 and authorise the award of contracts and purchases arising from this process above £100,000 for all organisation's budgets within the Chatsworth Multi Academy Trust including the Chatsworth Multi Academy Trust's budget.

### **4. Accounts and Audit**

- 4.1. To approve the annual accounts of the Chatsworth Multi Academy Trust and ensure that Members receive the approved accounts.
- 4.2. To inform the ESFA if it suspects any irregularity affecting resources.
- 4.3. The Board of Trustees must consider the monthly management accounts at each of its meetings and minute this.

### **5. Security of Assets**

- 5.1. To authorise the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with an original purchase value over £5,000 for all organisations within the Chatsworth Multi Academy Trust.
- 5.2. To set the Trust's capitalisation level at £1,000 including assets above this amount to the Trust's fixed asset register.

## **B. Financial Powers and Duties Delegated to the Finance Committee**

### **1. General**

- 1.1. To exercise the powers and duties of the Trustees in respect of the financial administration of the Chatsworth Multi Academy Trust except for those items specifically reserved for the Trustees and those delegated to the Chief Executive Officer and other staff.
- 1.2. To report on decisions taken under delegated powers to the Trustees in a timely manner.
- 1.3. To ensure that adequate arrangements for insurance cover are in place for all organisations in the Chatsworth Multi Academy Trust.

### **2. Budgets and Budgetary Control**

- 2.1. To review and approve the annual budget of the Chatsworth Multi Academy Trust prior to the start of each financial year and prior to recommending it to the Trustees for ratification.
- 2.2. To review the annual budget of each organisation within the Chatsworth Multi Academy Trust prior to the start of each financial year and prior to recommending it to the Trustees for ratification.
- 2.3. To set the annual contribution level for each organisation's General Annual Grant (GAG) or its equivalent to be received by the Chatsworth Multi Academy Trust each year before 30<sup>th</sup> November.
- 2.4. To approve and authorise all changes to the forecast surplus or deficit of the annual budget for all budgets within the Chatsworth Multi Academy Trust and to report changes to the forecast surplus or deficit to the Trustees.
- 2.5. To consider budgetary management reports on the Chatsworth Multi Academy Trust's financial position at every meeting, taking appropriate action to contain expenditure within the budget and reporting to the Trustees.
- 2.6. To approve virements of over £30,000 within the Chatsworth Multi Academy Trust's annual budget.
- 2.7. To approve virements of over £10,000 for organisational budgets.
- 2.8. To report to the Trustees all significant financial matters and any actual or potential overspending for all organisations in the Chatsworth Multi Academy Trust.
- 2.9. To approve and authorise all expenditure of unrestricted reserves for all organisations within the Chatsworth Multi Academy Trust.

### **3. Purchasing**

- 3.1. To authorise the award of contracts and purchases over £30,000 and up to £100,000 for the Chatsworth Multi Academy Trust's annual budget.
- 3.2. To approve contracts and purchases over £10,000 and up to £100,000 for all organisation's budgets within the Chatsworth Multi Academy Trust.
- 3.3. To agree lease agreements for all organisations within the Trust.

### **4. Income**

- 4.1. To authorise the write off of debts not collectable between 1% of total annual income or £45,000 (whichever is smaller) per single transaction. The write-off of debts over £45,000 requires prior written approval from the Education and Skills Funding Agency (ESFA).
- 4.2. To approve activities to generate additional income for the Chatsworth Multi Academy Trust.

### **5. Security of Assets**

- 5.1. To ensure that there are annual independent checks of assets and the assets register.

5.2. To authorise the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with an original purchase value up to £5,000 and reporting such authorisations to the Trustees.

## **6. Accounts and Audit**

6.1. To review the draft financial statements and highlighting any significant issues to the Trustees prior to submission to the ESFA by 31 December.

6.2. To work with the external auditors for the Chatsworth Multi Academy Trust. Auditors will be appointed by the Members.

6.3. To review the reports of the Internal Auditors on the effectiveness of the financial procedures and controls within the Chatsworth Multi Academy Trust and report these to the Trustees.

## **7. Banking**

7.1. To authorise the opening of new bank accounts for the Chatsworth Multi Academy Trust.

7.2. To authorise the application for new business charge cards for the Chatsworth Multi Academy Trust.

7.3. To authorise the opening of new bank accounts for all organisations within the Chatsworth Multi Academy Trust.

7.4. To authorise the application for new business charge cards for all organisations within the Chatsworth Multi Academy Trust.

## **C. Financial Powers and Duties Delegated to the Local Governing Body**

### **1. General**

1.1. To recognise, understand and act within the remit of the written Scheme of Financial Delegation of the Chatsworth Multi Academy Trust.

1.2. To approve of the Terms of Reference for the Local Governing Body.

1.3. To support the strategic and operational functioning of the organisation under the leadership of the Headteacher or Principal.

1.4. To contribute to the growth and development of the Chatsworth Multi Academy Trust.

### **2. Governance**

2.1. To elect a Chair of Governors and Vice-Chair of Governors each year during the Autumn Term Full Governing Body meeting.

2.2. To ensure that all roles and functions within the Local Governing Body are filled according to the Terms of Reference of the Local Governing Body.

### **3. Budgets and Budgetary Controls**

3.1. To ensure that the organisation's budget is prepared and submitted for approval by the Trustees prior to the start of each financial year.

3.2. To note the transfer of the annual contribution of the organisation's General Annual Grant (GAG) or its equivalent to the Chatsworth Multi Academy Trust each year during the Autumn Term.

3.3. To receive financial reports related to the organisation

## **D. Financial Powers and Duties Delegated to the Chief Executive Officer**

### **1. General**

- 1.1. To lead the strategic development of the Chatsworth Multi Academy Trust according to the underpinning ethos of the Trust as expressed in its Mission Statement and Core Values.
- 1.2. To exercise delegated powers and functions in respect of the internal organisation, management and control of the Chatsworth Multi Academy Trust.
- 1.3. To implement all policies approved by the Trustees.

### **2. Budgets and Budgetary Controls**

- 2.1. To prepare an annual draft budget plan for the Chatsworth Multi Academy Trust for consideration by the Finance Committee and Trustees before the start of each financial year.
- 2.2. To receive and review monthly finance statements from each organisation in the Chatsworth Multi Academy Trust and monitor the expenditure and income for all organisations against the approved budget.
- 2.3. To submit reports on the Trust's financial position to every meeting of the Finance Committee. Any actual or potential overspending must be reported to the Finance Committee.
- 2.4. To review the expenditure of restricted reserves of all organisations in the Chatsworth Multi Academy Trust.
- 2.5. To review income and expenditure reports of the Chatsworth Multi Academy Trust budget on a monthly basis ensuring that potential overspending is reported to the Finance Committee.
- 2.6. To approve virements of up to £30,000 within the Chatsworth Multi Academy Trust's annual budget.

### **3. Purchasing**

- 3.1. To authorise contracts and purchases for the Chatsworth Multi Academy Trust up to £30,000.
- 3.2. To ensure that all contracts and agreements entered into by organisations in the Chatsworth Multi Academy Trust conform to the *Financial Regulations Manual*.

### **4. Payment**

- 4.1. To authorise payments for the Chatsworth Multi Academy Trust by cheque, BACS and internet banking with another approved bank signatory.

## **E. Financial Powers and Duties Delegated to the Headteacher or Principal**

### **1. General**

- 1.1. To lead the strategic development of the organisation as an efficiently operating partner within the Chatsworth Multi Academy Trust according to the underpinning ethos of the Trust as expressed in its Mission Statement and Core Values.
- 1.2. To exercise delegated powers and functions in respect of the internal organisation, management and control of the organisation.
- 1.3. To implement all policies approved by the Governors of the organisation and the Trustees of the Chatsworth Multi Academy Trust.

### **2. Budgets and Budgetary control**

- 2.1. To manage spending within the approved budget of the organisation in conjunction with the Chief Executive Officer.
- 2.2. To approve virements of up to £10,000 within the organisation's budget.

### 3. Purchasing

- 3.1. To authorise contracts and purchases for the organisation up to £10,000.
- 3.2. For all contracts and purchases over £10,000 approval must be obtained from the Finance Committee.
- 3.3. To ensure that all contracts and agreements entered into by the organisation conform to the *Financial Regulations Manual*.

### 4. Payment

- 4.1. To authorise payments for the organisation by cheque, BACS and internet banking with another approved bank signatory.
- 4.2. To approve all mileage expense claims for staff in the organisation.
- 4.3. To approve overtime payments and associated disbursements.

Signatories:

Chair: Chair of Trustees Date: 01.12.20

Martin Hanbury:  Chief Executive Officer Date: 01.12.20

### Authorisation Levels and Limits

Delegated Duty	Value	Delegated Authority	Method
Ordering goods & services within the approved budget	Up to £1,000	Budget Holders	To be placed securing value for money
	£1,001 to £10,000	HT/Principal	Minimum of three written quotes required
	£1,001 to £30,000	CEO	Minimum of three written quotes required
	£5,001 to £100,000	Finance Committee	Minimum of three written quotes required
	Over £100,000	Board of Trustees	Minimum of three written quotes required
Signatories for cheques, BACs payment authorisations and other bank transfers	Unlimited	Two signatories - must be listed as signatories on bank mandate	On receipt of authorised order or service & proof of delivery (if required)
Signatories for ESFA/DfE grant claims and return	Unlimited	CEO	
Virement of budget between budget headings	Up to £30,000	CEO	
	£5,001 to £100,000	Finance Committee	
	Over £50,000	Board of Trustees	
Disposal of assets at net book value (excluding freehold on land, buildings & heritage assets)	Up to £1,000	CEO	Ensure that disposal achieves best price & maintains principles of regularity, propriety & value for money.
	£1,001 to £100,000	Finance Committee	
	Over £100,000	Board of Trustees	
Write offs & liabilities. Guarantees, Indemnities and letters of comfort (subject to £250,000 ceiling)	Up to 1% of total annual income or £45,000 whichever is smaller	Finance Committee	Report to Trustees
Entering into equipment leases/leaseholds/tenancy agreements	As per ordering authorisation	CEO plus ESFA approval required where specified in ESFA AFH	Maintain lease register in accordance with Financial Regulations
Purchase or sale of any freehold property	Any	Board of Trustees plus ESFA	
	Any	Board of Trustees plus ESFA	
Severance or Compensation payments	Up to £50,000 (non-statutory/non contractual)	Board of Trustees	
	Over £50,000	Board of Trustees plus ESFA	