

**Believe  
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**the OliveTree  
Primary School**

# **Scheme of Financial Delegation and Authorities**



The **OliveTree**  
Primary School

## **Document Control**

<b>This document has been approved for operation at The Olive Tree Primary School</b>	
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## Introduction

The leadership and management of The Olive Tree Primary School Trust is shared between the Board of Trustees (The Board) and the Principal (Accounting Officer). Each has designated roles and responsibilities - these roles and responsibilities constitute the Scheme of Delegation (SoD).

The SoD for the Trust is set out in the following documents:

- The Terms of Reference of the Board and its Committees
- Actions Delegated to the Principal

These documents include the delegation of financial responsibilities in broad terms. This Scheme of Financial Delegation and Authorities (SoFDA) provides more detail on the financial powers, limits, and responsibilities retained by the Board and those delegated to individuals and groups within the Trust. It is laid out in tabular format for ease of reference.

The Trustees, the Principal (Accounting Officer), the School Business Manager (Chief Financial Officer), finance staff and other budget holders should be familiar with, and must comply with, all aspects of the Trust's overall Scheme of Delegation (SoD) and this written SoFDA.

## ESFA Academy Trust Handbook

All Academy Trusts must comply with the requirements of the ESFA Academy Trust Handbook. This scheme of delegation should be read in conjunction with the Academy Trust Handbook.

## Roles and Responsibilities of Staff for Financial Matters

**The Principal** is directly responsible to the Board of Trustees for ensuring regularity, propriety, and value for money across the Trust. The Principal is the Trust's Accounting Officer.

**The School Business Manager** is the Trust's Chief Financial Officer (**CFO**) and is responsible for carrying out all financial planning and management roles across the trust, and for advising the Board and the Principal on financial matters.

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The role of **Finance Staff** is to assist the CFO in financial planning and management, assist in maintaining a proper system of financial control and maintaining the Trusts financial systems, including order processing, invoice payment, cash management, sales order processing and invoicing, credit control and fixed asset accounting.

The role of **budget holders** is to properly manage their budgets with assistance from Finance Staff, ensuring that procurements follow the procurement policy and that expenditure achieves value for money and addresses resource needs.

The Trust is required, by the ESFA, to have and to publish on its website, this written SoFDA.

DELEGATION/FINANCIAL AUTHORISATION		APPROVAL	COMMENT
GOVERNANCE			
	Develop the Trust's Scheme of Delegation and Financial Authorities and keep it under review.	Board of Trustees	AO/CFO develops. FHBC reviews.
	Implement Scheme of Delegation and Financial Authorities.		AO/CFO responsible for ensuring implementation.
	Advise the Board of Trustees of any concerns about the running of the academy that cannot be resolved by the AO and of any suspicions of fraud and irregularity.		Concerns reported to AO or directly to the Chair of the Board of Trustees as appropriate. Chair actions or AO considers and recommends for action by Chair/Board as appropriate. ARC to oversee any fraud investigation.
	Ensure no Director/Trustee, employee or related party gains from their position by receiving payments under preferential terms: ensure no payments are made to any Director/Trustee unless permitted under the Trust's Articles of Association (AOA) or agreed by the Secretary of State for Education.		AO/CFO oversees in line with procurement policy and procedures. FHBC reviews. (Refer to Academy Trust Handbook requirements on related party transactions)
	Maintain a Register of Interests for Members, Trustees and senior employees.		CFO requests and compiles information. Board to review. CFO to ensure information is published on the Trust website.
	Ensure gifts made or received are documented and approved.	Board of Trustees	AO to seek approval from the Board prior to any member of staff receiving or

			making a gift over £25 nominal value. CFO to maintain a register of gifts.
<b>BANKING</b>			
	Appointment of bankers.	Board of Trustees	AO advises the Board following procurement.
	Opening or closing bank accounts and business charge card accounts.	Board of Trustees	AO/CFO advises the Board.
	Signatories for cheques, BACs Payments, Faster Payments, and other electronic bank transfers	Board of Trustees	<ul style="list-style-type: none"> <li>Up to £10,000.00 - Two from AO/CFO/Head of School/Trustee. Signatories to review approval before signature.</li> <li>£10,001.00 and above - Chair of the Board of Trustees plus AO. Signatories to review approval before signature.</li> </ul> <p>In the absence of both the AO (Interim Executive Principal) or the CFO (Business Manager), cheque payments may be signed by any two Trustees.</p>
<b>In every instance, any perceived or actual conflict(s) of interest should be avoided by signatories in line with the Trust 'Conflict of Interest' policy when signing cheques.</b>			
	Charge Card Holders	Board of Trustees	AO/CFO advises the Board of Trustees.
	Procuring a loan	ESFA	Board of Trustees to seek ESFA approval for any loan.
<b>FINANCIAL PLANNING &amp; BUDGETING</b>			

	Develop and review a 3 year financial plan	Board of Trustees	AO/CFO advises FHBC which then proposes. Board approves. AO/CFO implements.
	Determine a balanced annual budget for the Trust as a whole and for academies and Trust Support Services	Board of Trustees	AO/CFO advises FHBC which then proposes. Board approves. AO/CFO implements.
	Approve transfers between budget headings within agreed limits: <ul style="list-style-type: none"> <li>• Up to £10k</li> <li>• Over £10k</li> </ul>	AO Board of Trustees	AO/CFO advises FHBC which then reports to the Board.
	Make applications for external funding for projects	Board of Trustees/AO	Board approves applications involving amounts over £10k, matched funding or budgetary commitments. AO to approve otherwise.
	Submit applications for capital programme/building maintenance funding to DfE/ESFA	Board of Trustees	AO develops. Board approves. AO submits.
	Determine and <b>approve the Trust's investments policy to manage, control and track financial exposure, and ensure value for money; to review the trust's investments and investment policy on a regular basis.</b>	Board of Trustees	AO/CFO/external advisers advise. Board approves. AO/CFO implements and reports to the Board.
<b>FINANCIAL MANAGEMENT &amp; ACCOUNTING</b>			
	Maintain accurate, reconciled and up to date financial information		CFO oversees. FHBC reviews.



	Ensure that the Trust's systems of financial control are implemented and enforced		CFO oversees. FHBC reviews.
	Monitor and report on Trust's budget position		CFO reports to each Board and FHBC meeting .
	Preparation of monthly management accounts and monitoring actual expenditure against budget		CFO prepares a report to AO in line with ATH. AO monitors variances against budget. Management Accounts to be shared with the Chair of the Board of Trustees on a monthly basis.
	Ensure financial records are kept for at least 6 years after the end of the financial year		CFO oversees retention of records.
	Comply with any 'Notice to Improve'		AO/CFO/Chair of the Board of Trustees are responsible for ensuring compliance. Board reviews progress against Notice to Improve.
<b>ASSETS</b>			
	Maintain an up-to-date register of assets.		CFO oversees. FHBC review on a periodic basis.
	Authorise/seek authority for the disposal of unusable or obsolete items	AO/CFO/FHBC/Board of Trustees/ESFA	<ul style="list-style-type: none"> <li>• Up to £500.00 - AO &amp; CFO.</li> <li>• £500.01 to £5000.00 - FHBC.</li> <li>• £5000.01 and above - Board of Trustees.</li> </ul> (Refer to prevailing ATH for requirement to seek ESFA approval).
	Authorise all leases, tenancies, and freehold acquisitions, and loans in line with the Academies Financial Handbook.	Board of Trustees/ESFA	AO advises and Board approves. (Refer to ATH for requirement to seek ESFA approval).

<b>INVESTMENTS</b>		
Investment Policy	Board of Trustees	To be reviewed on a regular basis
<b>INSURANCE</b>		
Procure insurance cover and keep under review	Board of Trustees	AO/CFO advises the Board and procures.
<b>INCOME</b>		
Application for grants less than £10k with no matched funding requirement or significant/contentious grant conditions	AO	CFO advises.
Application for grants over £10k or with matched funding requirements or significant/ contentious grant conditions	Board of Trustees	AO/CFO advises.
Application for capital grants	Board of Trustees	AO/CFO advises. Board approves. AO oversees application.
Seek approval for writing off bad debts and losses and entering into guarantees, indemnities, and letters of comfort beyond set limits	AO/CFO/FHBC/Board of Trustees/ESFA	<ul style="list-style-type: none"> <li>• Up to £50.00 for any single debtor - CFO.</li> <li>• £50.01 to £100.00 - AO &amp; CFO.</li> <li>• £100.01 to £1000.00 - FHBC.</li> <li>• £10,000.00 and above - Board of Trustees.</li> <li>• Over £45k or greater than 1% of income - ESFA approval. CFO to advise.</li> </ul>
Determine policy for overpayment and debt recovery	Board of Trustees	AO/CFO advises. Board approves. CFO implements
Determine lettings and fees policy	Board of Trustees	AO/CFO advises. Board approves. CFO implements.

PURCHASE ORDER AUTHORISATION & PROCUREMENT			
	Establish and implement a procurement policy to secure value for money	Board of Trustees	AO/CFO advises. Board approves. AO/CFO/ Principals implement. FHBC monitors.
	Ensure any services provided by the sponsor or sponsor related bodies are properly procured and represent value for money.	AO/CFO	AO/CFO assures compliance. FHBC reviews compliance
	<p>Orders and payments for goods and services - delegation of approvals for trust wide procurement or school specific procurement as below:</p> <ul style="list-style-type: none"> <li>Up to £1,000.00</li> <li>£1,001.00 - £5000.00</li> <li>£5001.00 - £25,000.00</li> </ul>	<p>Any one from AO/CFO/Head of School</p> <p>AO plus any one from CFO/HoS</p> <p>AO plus HoS</p>	<p>Selection from preferred supplier list unless agreed with CFO. A Phase Leader may approve in the absence of AO/CFO/HoS.</p> <p>A minimum of 1 quote to be sought from approved suppliers. In the absence of a quote from an approved supplier a minimum of 2 quotes to be sought. CFO plus HoS may approve in the absence of the AO.</p> <p>A minimum of 3 written quotes to be sought from approved suppliers.</p>

	<ul style="list-style-type: none"> <li>£25,001.00 - £75,000.00</li> <li>£75,001.00 and above</li> <li>Find a Tender Service</li> </ul>	<p>AO plus FHBC</p> <p>Board of Trustees</p> <p>Board of Trustees</p>	<p>Formal tendering process in line with Trust Procurement Policy. AO/CFO oversee procurement and Board approves.</p> <p>Formal tendering process in line with Trust Procurement Policy. AO/CFO oversee procurement and Board approves.</p> <p>Procurement in line with buying procedures and procurement law for schools, using where possible established frameworks via organisations such as the Crescent Purchasing Consortium, Crown Commercial Service, School Switch, etc.</p>
<b>The SBM/CFO should be consulted In every instance to ensure the availability of sufficient uncommitted funds in the approved budget to cover purchases.</b>			
	Creation and maintenance of a list of approved suppliers.	CFO	CFO oversees and approves the list.
<b>AUDIT &amp; RISK</b>			
	Appointment of external auditors	Members	Procurement overseen by FHBC who recommend appointment to Board. To

			be tendered at least every 5 years. 3 shortlisted firms to be interviewed.
	Review, develop and approve a set of accounting policies.	Board of Trustees	CFO advises the Board. FHBC reviews
	Produce audited company accounts in line with SORP for charities. Submit to ESFA by 31st December of each calendar year. Publish the accounts on the Trust website, submit to Companies House and provide copies on request.	Board of Trustees	External Auditors report to FHBC. FHBC recommends approval to the Board.
	Approval of the accounting officer's statement on regularity, propriety, and compliance.	Board of Trustees	External Auditors report to FHBC. FHBC recommends approval to the Board as part of accounts approval.
	Report on value for money of the Trust on a regular basis.	Board of Trustees	AO/CFO to report as part of annual accounts approval.
	Appoint internal auditors	Board of Trustees	ARC advises. Board approves
	Create an annual internal audit programme.	ARC	AO/CFO advises, ARC approves. Reports to be submitted promptly to the Board.
	Confirm internal scrutiny arrangements in the Governance Statement.	Board of Trustees	AO/CFO advises, Board approves.
	Provide an annual summary of internal scrutiny to ESFA by 31st December of each calendar year.	FHBC	AO/CFO advises, FHBC approves.
	Develop and keep under review Business Continuity Plan.	Board of Trustees	AO/CFO to develop. FHBC to review periodically.
	Develop and keep under review a comprehensive risk assessment, risk register, risk mitigation plan, codes of conduct,		AO/CFO to develop. FHBC and Board to review periodically.

	ethics and corporate responsibility, and confidential reporting & whistle blowing policy.		
	Ensure any recommendations for improvement by external auditors, internal audit review, or by external agencies e.g. the ESFA or DfE, once agreed by the Board, are actioned. Monitor and evaluate the impact of actions taken.		CFO to implement and FHBC to review.
	Notification to ESFA of any instances of fraud, theft and/or irregularity exceeding £5k (Refer to ATH for full detail)		AO/Chair of the Board of Trustees to notify ESFA, ARC and the Board of Trustees.
<b>PAY &amp; REMUNERATION</b>			
	Establish and maintain payroll services for all Trust employees.	Board of Trustees	AO/CFO advises the Board and ensures proper services are maintained.
	Authorisation of monthly payroll exceptions report.		Payroll Bureau to prepare. CFO to review. Chair of The Board of Trustees and AO authorise. In the absence of either the Chair of the Board of Trustees or the AO the following combination may apply: <ul style="list-style-type: none"> <li>• Chair and Vice Chair of the Board of Trustees, or</li> <li>• Vice Chair of the Board of Trustees &amp; AO, or</li> </ul>

			<ul style="list-style-type: none"> <li>Vice Chair of the Board of Trustees &amp; Acting Head of School.</li> </ul>
	Approving salary increases in line with pay and remuneration policy - except for AO.	AO	AO approves. PC reviews.
	Approving/actioning salary increases in line with pay and remuneration policy for AO.	Board of Trustees	Board approves. Board establishes a committee to recommend action and may seek external advice on AO performance.
	<p>Determine the Pay and Remuneration Policy.</p> <p>Authorisation of changes to payroll standing data including starters, leavers, changes to terms and conditions, including the award of honoraria.</p> <p>Authorisation of employee/trustee expenses.</p> <p>Redundancy, severance and other non-standard payments to staff.</p>	<p>Board of Trustees</p> <p>AO</p> <p>Chair of Board of Trustees</p>	<p>AO advises the Board and implements. FHBC reviews.</p> <p>FHBC to review.</p> <p>AO authorises staff and Trustee expense claims. Chair of Board of Trustees authorises AO expense claims.</p> <p>Board of Trustees to approve within limits set by the ESFA (refer to AFH for requirements)</p>

<b>Key:</b>	
ATH	Academy Trust Handbook

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ARC	Audit and Risk Committee
FHBC	Finance, HR and Buildings Committee
PC	Pay Committee
AO	Accounting Officer /Principal
CFO	Chief Finance Officer / Business Manager