

SCHEME OF FINANCIAL DELEGATION

The Board of Aldridge Education is accountable for the financial control and management of all of its academies and colleges. To enable effective operation the Trust delegates responsibility for certain processes and authorisations. This Scheme sets out the financial delegations to each level of governance within the MAT. Adherence to the Scheme forms part of the internal control system by which the Board gains assurance. No changes to the scheme can be made without Board approval.

Activity	Budget Holders	Director of Finance & Operations (Cluster)	Academy Principal	Executive Principal (Cluster)	Chief Operating Officer (MAT)	CEO	Local Governing Committee	Finance & Resources Committee	MAT Board
BUDGET SETTING									
Develop individual academy budget plan		X	X						
Review individual academy budget plan				X	X				
Recommend individual academy budget plan for approval							X		
Agree individual academy budget plan						X			
Develop central budget plan					X	X			
Review and approve central budget plan						X			
Review MAT budget plan								X	
Approve MAT budget plan									X
Submit EFA budgetary returns within agreed timescales					X				
BUDGET MONITORING									
Monitor income and expenditure and to take corrective action to deliver financial target - ACADEMY LEVEL		X	X				X		
Monitor income and expenditure and to take corrective action to deliver financial targets - CENTRAL BUDGET					X	X			
Monitor income and expenditure and to take corrective action to deliver financial targets - CLUSTER LEVEL				X	X			X	
Monitor income and expenditure and to take corrective action to deliver financial targets - MAT LEVEL					X	X		X	
BUDGET VIREMENTS									
Approve budget virements: ACADEMY LEVEL			X						
Approve budget virements: CENTRAL BUDGET					X				

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ACCEPT QUOTES AND TENDERS									
<i>Approval is required wherever an x is indicated</i>									
- Up to £1,000	X								
- Between £1,000 and £3,000		X							
- Between £3,001 and £10,000 (min of 2 quotes)		X	X						
- Between £10,001 and £20,000 (min of 2 quotes)			X	X					
- Between £20,001 and £50,000 (min of 3 quotes)				X	X				
- Between £50,001 and £150,000 (min of 3 quotes)					X	X			
- Over £150,000 (min of 3 quotes, probable tender) with notification to Finance & Resources Committee					X	X			
- Over the OJEU Threshold (Formal OJEU tendering)						X		X	
AUTHORITY TO ACCEPT OTHER THAN LOWEST QUOTE									
<i>Any two marked with an X</i>									
- Under £5,000		X	X	X	X				
- Between £5,001 and £20,000			X	X	X				
- Between £20,001 and £50,000				X	X	X			
- Between £50,001 and £100,000					X	X			
- Between £100,001 and UP TO OJEU						X		X	
- OVER OJEU						X		X	
BUDGET AUTHORITY LIMITS									
<i>Any two marked with an X</i>									
- Approve and authorise expenditure up to £5,000	X	X	X	X					
- Approve and authorise expenditure up to £10,000		X	X	X	X				
- Approve and authorise expenditure up to £25,000			X	X	X	X			
- Approve and authorise expenditure up to £50,000				X	X	X			
- Approve and authorise expenditure up to £100,000					X	X		X	
- Approve and authorise expenditure over £150,000						X		X	X
APPROVAL OF PAYROLL									
<i>(Any one marked x)</i>									
Notify payroll service of any matters affecting employees		X				X			
Certify time sheets and other records related to pay		X	X						
Approve monthly payroll – individual academy		X	X	X					
Approve monthly payroll – central budget					X	X			

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BANKING AND AUTHORISED SIGNATORIES									
- Cheques	As per approved bank mandate								
- BACS	As per approved bank mandate								
- Inter-company transfers (at least one)					X	X			
- ESFA grant claims and ESFA returns (at least one)					X	X			
ENTERING INTO GUARANTEES, LETTERS OF COMFORT OR INDEMNITIES									
+1% of total annual income or £45,000 whichever is smaller per single transaction	ESFA approval required								
Cumulatively, 5% of total annual income in any one financial year per category of transaction	ESFA approval required								
INCOME									
Ensure invoices are issued accurately and promptly		X			X				
Ensure debt collection arrangements are in place and followed through		X			X				
Ensure services provided to third parties are charged at full cost		X			X				
WRITING OFF DEBTS AND LOSSES AND ANY UNCOLLECTED FINES									
- Up to £100 (per category of transactions)			X	X					
- Between £101 and £2,500 (per category of transactions)				X	X				
- Over £2,500 (per category of transactions)					X	X			
- +1% of total annual income or £45,000 whichever is smaller per single transaction (subject to a max. of £250,000)	ESFA approval required								
- Cumulatively, 5% of total annual income in any one financial year per category of transaction (subject to a max. of £250,000)	ESFA approval required								
BORROWING									
Enter into borrowing arrangements including finance leases and overdraft facilities from any source, which is repaid from grant monies or secured on assets.	ESFA approval required								

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PAY REVIEWS AND PAY POLICY									
Agree changes to individual staff pay at academy level (except Principal)			X						
Agree changes to SLT (school level) staff pay at academy level (except Principal and Executive Principal pay)				X					
Agree changes to Central Team pay						X			
Agree changes to SLT pay such as Director's, Principal and Executive Principal						X			
Approve National pay awards								X	
Approve or amend MAT's pay policy									X
SPECIAL PAYMENTS									
Non-contractual special payments as defined in the Academies Financial Handbook – Up to £50,000						X			
Non-contractual special payments as defined in the Academies Financial Handbook – over £50,000	ESFA approval required								
Ex gratia payments as defined by Academies Financial Handbook (any amount)	ESFA approval required								

Updated:

February 2018

Next Scheduled Review:

September 2018