

# Scheme of Delegated Financial Authority

**Bolder Academy Trust Ltd**

MacFarlane Lane, Isleworth, Middlesex TW7 5DB  
Registered in England and Wales No: 08932893

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| <b>This policy:</b>                         | <b>Scheme of Delegated Financial Authority</b> |
| <b>It applies to:</b>                       | All staff and Governors at Bolder Academy      |
| <b>Person responsible for its revision:</b> | Headteacher                                    |
| <b>Status:</b>                              | Statutory                                      |
| <b>Published on:</b>                        | The Academy Website                            |
| <b>Approval by:</b>                         | Governing Board or Delegated Committee         |
| <b>Review frequency:</b>                    | Every two years                                |
| <b>Date of approval:</b>                    | 29 <sup>th</sup> November 2022                 |
| <b>Date of next approval:</b>               | November 2024                                  |

## **1. Scope of this Document**

This document set out mandatory authorites for all value-related commitments for Bolder Academy and is issued on the authority of the Governing Board.

## **2. Overall Principles**

### **Approval in advance of commitment**

Correct authorisation and approval must take place before:

- Any commitments (actual or contingent) are made, or
- Goods and services are ordered, or
- Activities that give rise to the expectation of a financial commitment to or by a third party.

Unauthorised commitments, orders or purchases may be treated as a disciplinary offence.

### **A written contract is generally required**

As a general rule, it is expected that revenue and expenditure will require a formal written contract.

Where there is no written contract, full sign-off is required for each payment.

### **Documentary evidence of approvals**

Evidence of approval is required by physical or electronic record (e.g. DocuSign).

### **Contract execution**

A contract may only be executed by a signatory who is authorised to bind the Bolder Academy

In the absence of a written contract, a Purchase Order (PO) must form part of the agreement with the supplier for the good or service. POs should be raised prior to committing the Academy to the expenditure - i.e. before ordering any goods or services with the supplier.

### 3. Approval Limits

| Amount             |          | Approved by  |
|--------------------|----------|--|
| £0                 | £5,000   | Line Manager or Budget Holders up to the value of their delegated budget or limit. |
| £5,001             | £10,000  | Headteacher  |
| £10,001            | £50,000  | Headteacher and Finance Director   |
| £50,001            | £100,000 | Finance, Audit & Risk Committee  |
| £100,000 and above |          | Governing Board  |

### 4. Delegation of Authority

The Delegation of Authority is set out below.

|                   | <b>Governing Board</b>   | <b>Finance, Audit &amp; Risk Committee</b>  | <b>Headteacher (Accounting Officer)</b>                       | <b>Deputy Head-teacher</b> | <b>The Finance Director</b>   | <b>Budget Holders</b>   | <b>Finance Officer/SBM</b>  |
|-------------------|--|---|---|----------------------------|---|---|---|
| <b>Accounting</b> | <p>Approving the annual accounts</p> <p>Preparing the Trustees' Report and Governance Statement.</p> | <p>Determining the Academy's accounting policies and procedures.</p> <p>Agreeing the annual accounts for presentation to FGB.</p> | <p>As Accounting Officer, approving the annual accounts.</p>  |                            | <p>Maintaining accurate, reconciled and up-to-date records on a weekly, monthly and annual basis including year-to-date, and providing financial and statistical information as and when required.</p> <p>Preparing annual accounts assisted by auditors.</p> |   |   |
| <b>Assets</b>     | <p>Seek approval of the ESFA in writing to acquire or dispose of land and buildings</p>              | <p>Approving Fixed Asset Policy.</p> <p>Approving fixed asset write-offs over £20k.</p>   | <p>Approving fixed asset write-offs over £10k up to £20k.</p> |                            | <p>Authorising the write-off or disposal of unusable or obsolete equipment included on the inventory, up to £10k.</p>   | <p>Managing security of buildings, furniture, equipment, stock, stores and cash</p> | <p>Maintaining an inventory of all moveable items of equipment with a replacement value of £1000 or more, and security marking such items.</p> <p>Checking inventories annually to verify the location, condition and</p> |

|  | Governing Board | Finance, Audit & Risk Committee | Headteacher (Accounting Officer) | Deputy Head-teacher | The Finance Director | Budget Holders | Finance Officer/SBM |
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|  |  |  |  |  |  |  | <p>serviceability of each item listed</p> <p>Maintaining a record of all property borrowed by staff.</p> |
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|              | <b>Governing Board</b>   | <b>Finance, Audit &amp; Risk Committee</b>   | <b>Headteacher (Accounting Officer)</b>  | <b>Deputy Head-teacher</b> | <b>The Finance Director</b>  | <b>Budget Holders</b> | <b>Finance Officer/SBM</b>   |
|--------------|--|--|--|----------------------------|--|-----------------------|--|
| <b>Audit</b> | <p>Setting the terms of reference for the FAR Committee.</p> <p>Ensuring the Clerk to Governors maintains a register of Governors' pecuniary and business interests.</p> | <p>Monitoring the implementation of financial procedures.</p> <p>Recommending appointment of independent auditors (NB: The auditors are appointed by the Members).</p> <p>Agreeing programme of internal audit.</p> <p>Receiving reports from the auditors.</p> <p>Determining any actions to be taken based on auditors' recommendations and reporting to FGB as appropriate.</p> <p>Ensure ESFA notified of any losses through</p> | <p>Implementing any actions required by the FAR Committee.</p> <p>Reviewing all bank and balance sheet control account reconciliations on a monthly basis.</p> |                            | <p>Liaise with and assist external auditors.</p> <p>Ensuring financial records and related documents are available for inspection by auditors.</p> <p>Maintaining a register of members of staff's pecuniary and business interests.</p> <p>Reconciling all bank statements and balance sheet control accounts on a monthly basis.</p> |                       | <p>Ensuring financial information is appropriately filed to provide full audit trail.</p> <p>Cooperate with internal and external auditors at all times.</p> |

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|  |  | fraud or theft over £5k. |  |  |  |  |  |
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|                           | <b>Governing Board</b>              | <b>Finance, Audit &amp; Risk Committee</b>   | <b>Headteacher (Accounting Officer)</b>   | <b>Deputy Head-teacher</b> | <b>The Finance Director</b>  | <b>Budget Holders</b>                                   | <b>Finance Officer/SBM</b>   |
|---------------------------|-------------------------------------|--|---|----------------------------|--|---|--|
| <b>Budget Preparation</b> | Approving the annual budget.        | Recommending the annual budget to FGB for approval.  | Overseeing the preparation of the annual budget proposal.   |                            | Assisting the Headteacher in preparing the annual budget proposal.   |   |  |
| <b>Budget monitoring</b>  | Termly review of projected outturn. | <p>Monthly monitoring of actual expenditure against budget.</p> <p>Termly review of projected outturn.</p> <p>Approving budget overspends over £10k.</p> | <p>Monthly monitoring of actual expenditure against budget.</p> <p>Termly review of projected outturn.</p> <p>Approving budget overspends up to £10k.</p> |                            | <p>Preparation of monthly management accounts, and termly outturn forecasts.</p> <p>Monitoring income and expenditure and ensuring corrective action is taken.</p> | Ensuring expenditure does not exceed allocated budgets. | <p>Providing termly budget statements to budget holders.</p> <p>Ensuring orders processed are within budget or obtaining overspend approval as required.</p> |
| <b>Budget virements</b>   |                                     | Approve virements over £10k.   | Approve virements up to £10k  |                            |  |   |  |
| <b>Data Protection</b>    |                                     |  | <p>Registration under Data Protection legislation.</p> <p>Protecting data security and</p>  |                            |  |   |  |

|                                    | <b>Governing Board</b>                                     | <b>Finance, Audit &amp; Risk Committee</b>                               | <b>Headteacher (Accounting Officer)</b> | <b>Deputy Head-teacher</b> | <b>The Finance Director</b>   | <b>Budget Holders</b> | <b>Finance Officer/SBM</b>  |
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|                                    |  |  | privacy (including GDPR).               |                            |   |                       |   |
| <b>Governor Expenses</b>           |  | Reviewing annually the policy for Governor expenses.                     |   |                            | Approving Governor expense claims in line with policy.  |                       | Processing expense claims in line with policy.  |
| <b>Lettings/ Income Generation</b> | Approving policy for lettings and other income generation. | Approving scale of charges.<br><br>Writing off debts over £5k.           | Writing off debts up to £5k.            |                            | Proposing fee levels to the Finance & Audit Committee annually for approval. Informing the Finance & Audit Committee immediately of any suspicions of financial impropriety by a member of staff. |                       | Ensuring that income is recorded, receipted, securely stored, promptly banked and properly accounted for. |
| <b>Insurance</b>                   |  | Reviewing and approving insurance cover in the light of risk assessment. |   |                            | Preparing insurance proposals.<br><br>Purchasing insurance.   |                       |   |
| <b>Investments</b>                 | Approve the policy on financial investment.                | Determine the policy on financial investment.                            |   |                            | Investing surplus funds in accordance with the Investment Policy.   |                       |   |

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|  |   |  |   |                     |  |   |  |
| <b>Ordering goods and services and other financial commitments</b> | Above £100,000, subject to formal tender. Orders require approval by the Governing Board. | Above £50,000 and up to £100,000, subject to formal tender. Orders require approval by the FAR Committee.<br><br>Overview of compliance with the Procurement and Competitive Tendering Policy. | Above £5,000 and up to £10,000, three written quotation. Orders require approval by the Headteacher and orders above £10,000 and up to £50,000, three written quotations or tenders. Orders require approval by the Headteacher and the Finance Director.<br><br>Delegation of budgets to budget holders.<br><br>Approval of any contracts over 12 months' term or where the contract |                     | Above £10,000 and up to £50,000, three written quotations. Orders require approval by the Headteacher and Finance Director<br><br>Establish and monitor procurement policy and procedures.<br><br>Ensure compliance with OJEU etc.<br><br>Preparing tender documents and receiving tenders and quotations. | Up to £5,000, a price must be obtained in advance of the order being placed. Budget holders may approve expenditure up to the value of their delegated budgets.<br><br>Receiving and authorising requisitions from staff. | Receiving authorised requisitions from budget holders.<br><br>Preparing orders for authorisation.<br><br>Receiving authorised orders.<br><br>Preparing and distributing approved orders. |

|  | Governing Board                             | Finance, Audit & Risk Committee              | Headteacher (Accounting Officer)  | Deputy Head-teacher  | The Finance Director   | Budget Holders   | Finance Officer/SBM   |
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|  |   |  | contains an auto-renewal clause.  |  |  |  |   |
| <b>Supplier Payments/ Invoice approval</b> | Authorising supplier payments (over £100k). | Authorising supplier payments (up to £100k). | Authorising supplier payments (up to £50k).<br><br>Signing cheques/approving BACS on approved transactions (2 signatures required). | Signing cheques/approving BACS on approved transactions (2 signatures required). | Signing cheques/approving BACS on approved transactions (2 signatures required).<br><br>Approving invoices for payment (up to £10k). | Authorising goods received to ordered quantity and quality.<br><br>Approving order invoices for payment (up to £5k). | Receiving signed delivery notes<br>Receiving invoices<br>Receiving notification that goods received agree to ordered quantity and quality<br>Preparing invoices for payment<br>Receiving authorisation for payment<br>Preparing and distributing authorised payments<br>Ensuring payments are made in time to avoid penalties<br>Retention and secure storage of invoices, vouchers and other financial records<br>Uploading authorised |

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|  |  |  |  |  |  |  | supplier payments to the on-line BACS system. |
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|------------------------------|-----------------|--|--|---------------------|---|--|--|
| <b>Credit Card Purchases</b> |                 | <p>Approving applications for business/credit cards.</p> <p>Approving card limits.</p> | <p>Authorising credit card expenditure over £10k up to card limit.</p>   |                     | <p>Authorising credit card expenditure up to £10k.</p> <p>Reconciling the credit card statement to the credit card control account on the finance system.</p>   | <p>Receiving and authorising requisitions from staff, up to £5k and within the value of their delegated budgets.</p> | <p>Receiving authorised requisitions from budget holders.</p> <p>Processing credit card payments.</p> <p>Posting credit card transactions to the finance system.</p> |
| <b>Payroll</b>               |                 |  | <p>Reviewing and countersigning the payroll.</p> <p>Reviewing monthly reconciliations of payroll control accounts.</p> |                     | <p>Checking payroll and reconciling to the master staff list.</p> <p>Approving the payroll for payment.</p> <p>Posting payroll journals to the finance system.</p> <p>Reconciling payroll control accounts monthly.</p> |  |  |

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|---------------------|-----------------|---------------------------------|--|---------------------|--|----------------|---|
| <b>Remuneration</b> |                 |                                 | <p>Conducting remuneration reviews for all members of the Leadership Team.</p> <p>Preparing proposals for the Salary Committee for remuneration of all staff following annual reviews.</p> <p>Conducting salary reviews for Support staff.</p> |                     | <p>Ensuring wages, salaries and pensions are calculated and paid correctly.</p> <p>Ensuring the school complies with wages and pensions regulations.</p> <p>Ensuring PAYE and NI contributions are paid to HMRC on monthly payroll transactions.</p> |                |   |
| <b>Taxation</b>     |                 |                                 |  |                     | <p>Ensuring the school complies with tax regulations.</p> <p>Authorising VAT 126 form each month to reclaim VAT.</p>   |                | <p>Preparing VAT 126 form each month to reclaim VAT.</p> <p>Ensuring all transactions are supported by valid VAT receipts/invoices.</p> |

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|---------------------------|---|--|---|----------------------------|--|---|----------------------------|
| <b>Staffing</b>           | <p>Appointment of Head-teacher.</p> <p>Appointment of Business Manager or SLA, in conjunction with the Head-teacher.</p> <p>Approving the staffing structure.</p> <p>Authorising changes to the staffing structure.</p> |  | <p>Appointment of Business Manager, in conjunction with the Governing Board or SLA.</p> <p>Approving all other staff appointments</p> |                            |  |   |                            |
| <b>Staff Expenses</b>     |   |  | Approval by the Headteacher or Line manager/budget holders.   |                            |  | Line Manager/Budget Holders to approve staff expenses |                            |
| <b>Governors Expenses</b> | Policy Agreed   |  | Approve Governors expenses  |                            |  |   |                            |
| <b>Internal Controls</b>  | Reviewing the reports of the internal auditor on the effective-ness of the financial and non-financial procedures and controls.   | Direct programme of internal scrutiny having reference to the risk register. Report to FGB on the adequacy of the internal control framework | Reporting to the Governing Board any material weaknesses or breakdowns in financial and non-financial controls.                       |                            | <p>Development and maintenance of the internal control framework.</p> <p>Monitoring the efficiency and</p> |   |                            |



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|---|---|---|---|--|--|----------------|---------------------|
|   |   | and management of risk.                   |   |  | effectiveness of financial systems.<br><br>Proposing improvements to financial systems to enable information to be processed faster and more accurately at reduced cost.   |                |                     |
| <b>Banking</b>                            | Authorising the opening of all bank accounts and approving signatories to the accounts. |   | Being a signatory on all cheques or BACS payments.<br><br>Signing cheques and approving BACS payments in conjunction with other authorised signatory. | Being a signatory on all cheques or BACS payments<br><br>Signing cheques and approving BACS payments in conjunction with other authorised signatory. | Being a signatory on all cheques or BACS drawn.<br><br>Signing cheques and approving BACS payments in conjunction with other authorised signatory.<br><br>Approving all direct debits and standing order mandates. |                |                     |
| <b>ESFA grant claims and ESFA returns</b> |   | Ensure funding claims are accurate and in | Signatory   |  | Signatory  |                |                     |

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|---|---|---|---|----------------------------|---|-----------------------|----------------------------|
|   |   | compliance with funding criteria  |   |                            |   |                       |                            |
| <b>Financial and non-financial risk assessment</b>                                | Overall responsibility for risk management, including ultimate oversight of the risk register                   | Review the effectiveness of risk management arrangements. Review the risk register and business continuity plans. |   |                            | Prepare financial and risk assessments.                         |                       |                            |
| <b>Granting or take up of any leasehold or tenancy agreement or finance lease</b> | FGB and ESFA approval.  |   |   |                            |   |                       |                            |
| <b>Related party transactions</b>   | Ensure full disclosure of related party transactions in the trustees' report and notes to the year end accounts | Oversee related party transactions for compliance with ESFA requirements  |   |                            | Declare and/or seek ESFA approval of related party transactions |                       |                            |

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|---|--|--|---|----------------------------|-----------------------------|-----------------------|----------------------------|
| <b>Special payments – staff severance payments, compensation payments, ex-gratia payments</b> | <p>FGB approves policy.</p> <p>FGB approves staff severance payments up to £50k.</p> <p>ESFA approval of all ex-gratia payments, and staff severance payments over £50k.</p> |  | The Accounting Officer must sign off and review each business case. |                            |                             |                       |                            |
| <b>Operating leases – not related to land or buildings</b>                                    | FGB approval.  |  |   |                            |                             |                       |                            |

