



Ivanhoe College Governing Body Committee Terms of Reference & Scheme of Financial Delegation October 2020

The Governing Body have agreed this Scheme of Delegation, established as a formal schedule that distinguishes between matters reserved exclusively for Governors' approval or decision, and matters delegated to committees and individuals. The Scheme of Delegation includes the financial limits and signatories applicable to such matters as placing orders and contracts and issuing payments.

This is a key document which forms the basis for all financial controls in Ivanhoe College.

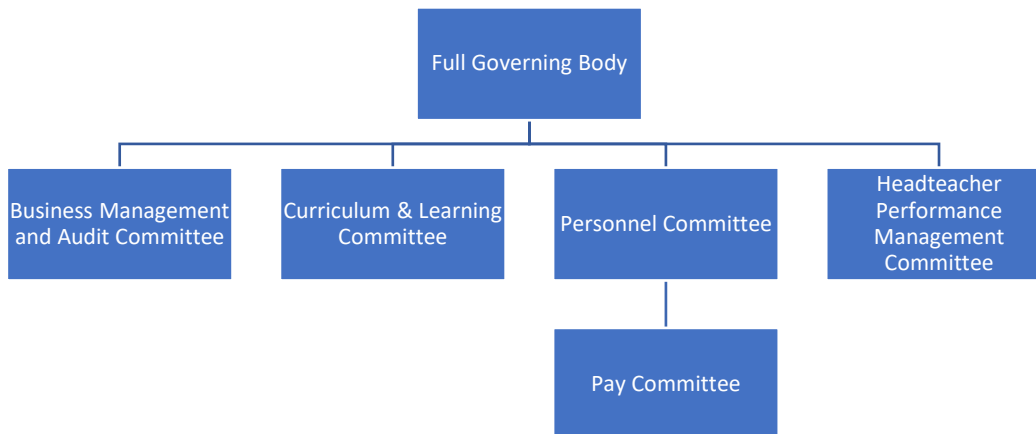
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Revision History

Date	Summary of Changes
Oct 2018	Document created – merged GB structure and financial scheme of delegation <ul style="list-style-type: none"> - Updated to reflect Executive Head Teacher Change and current governors - Removed reference to Ivanhoe Under 5's - Updated financial delegations to align with Academies Financial Handbook 2018
Nov 2018	Updated committee memberships in Appendix 1 and debt write-off values
Mar 2019	Updated committee memberships in Appendix 1
Jun 2019	Updated committee memberships in Appendix 1 and clarified that BMC has authority to submit budget forecasts to ESFA. ESFA replaced "EFA" throughout.
Oct 2019	Updated committee memberships in Appendix 1 Updated Business Management TORs to align with updated Academies Financial Handbook Governors may attend and vote at sub-committee meetings
Dec 2019	Updated committee memberships in Appendix 1
Sept 2020	Aligned senior job titles to new structure with Headteacher Reinstated Headteacher PM committee – now has decision powers. Updated committee names and memberships in Appendix 1 Updated Business Management TORs to align with 2020 Academies Financial Handbook Inclusion of bye-laws approved by the FGB Updated various Procurement and Tendering approval levels in line with GH paper June 2020 Updated Signatories for BACS payments and other bank transfers

1) Governing Body Committee structure



Working groups:

Each committee may create working groups consisting of staff, governors and others as necessary. These groups have no delegated decision-making powers and are formed to provide specialist or focused input to a particular subject area.

Standing working groups include: “Health & Safety”, “Futures” and “ICT Futures”, although others may be formed as necessary.

Delegated Powers for College Policy

Our committees have delegated power to make decisions for the areas of responsibility as outlined in each committee’s work programme. All committees have delegated powers to approve policies relevant to their areas. The exceptions to this are the following policies, where approval remains the sole responsibility of the Full Governing Body:

- SEND Policy
- Safeguarding Policy
- College Equality Objectives
- Teacher’s Pay Policy
- Complaints Policy
- Admissions Policy

All policies scheduled for review or revision will be identified at the start of each academic year and any governor may make comments, by emailing the Chair of the committee responsible for the policy.

Though the College Improvement Plan will be considered by all committees as appropriate, the FGB will retain overall responsibility for approving this.

2) Operation of Governing Body Committees

Membership and Voting Rights

1. In accordance with the articles of association, the FGB consists of the following governors:
 - Up to 11 Community Governors
 - Between 2 and 9 Parent Governors
 - Up to 3 Staff Governors
 - The Headteacher
 - Additional Governors if appointed by the Secretary of State
2. Every governor is expected to serve on at least one committee, with committee membership being agreed at the first FGB meeting of the academic year. However, any governor may attend committee meetings and has full voting rights.
3. People who are not governors may attend committee meetings but may not vote. Non-governor attendance is at the committee's discretion.
4. Ivanhoe College staff are encouraged to attend committee meetings. Staff may request attendance for a particular issue and may raise an item on the agenda, subject to the agreement of the committee.
5. Committees may need to meet in confidential mode where the subject for consideration is related to the pay or performance of any person employed to work at the College or other sensitive matters. In such cases any relevant person employed to work at the College other than the Headteacher should withdraw unless specifically invited to stay by the Committee to contribute to the consideration of the matter.
6. With the exception of the Business Management & Audit committee, each committee elects its chair at the first meeting of the academic year. Ivanhoe staff members may not chair a committee. The Chair of the Business Management & Audit committee is appointed by the FGB at the first meeting of the academic year.
7. A committee may decide to form a sub group of the committee or a working group to discuss a specific issue or topic. The membership and terms of reference should be agreed by the committee.
8. A quorum of 3 governors is required for all governing body committees. Working groups do not require a quorum
9. Anyone who has direct financial interest or conflict of interest in a matter under discussion in committee must ensure their interest is recorded and must withdraw from the meeting for this matter.
10. Committees will aim to make decisions by consensus. Where voting is necessary, a majority of votes cast will determine the outcome of any vote. In the event of a tied vote, the Chair of the meeting has a deciding second vote or the right of veto.
11. Any person will be able to participate in meetings of the Committees by telephone or video conference if agreed by the Chair, provided that governor participation is for the whole agenda item under discussion and not just the vote; and if after all reasonable efforts it does not prove possible for the person to participate by telephone or video conference the meeting may still proceed with its business provided it is quorate.
12. Whilst the preference is that meetings will take place with expectation of physical attendance, the Chair of a Committee may, in circumstances which restrict or prohibit this, decide that a meeting is to take place on a virtual basis. In such cases the virtual meeting will be conducted in accordance with the Articles of Association and terms of reference with the additional requirement that governors and other attendees will be provided with details of how to participate in the meeting at least 48 hours in advance of the meeting. Where it appears to the Chair of Governors that the Committee Chair (whether by reason of vacancy in the

office or otherwise) would be unable to exercise this function, the decision to hold a virtual committee meeting may be taken by the Chair of Governors.

Role of the Committee Chair

- Ensure meetings are organized and run effectively, focusing on priorities and making the best use of time available, and to ensure that all members have an equal opportunity to participate in discussion and decision-making.
- Ensure the business of the Committee is conducted properly and in accordance with legal requirements
- In the event of urgent decisions needing to be made between meetings, in consultation with the Accounting Officer and the Chair of Governors, take appropriate action on behalf of the FGB. This may include commissioning polls for voting by email or in extremis taking decisions of behalf of the Committee under 'Chair's Action'
- To decide after consultation with the Accounting Officer whether any internal and/or external non-voting advisors or representatives will be required to attend meetings
- To decide on the appropriate clerking arrangements for the committee given the nature of business to be transacted.

Role of Clerk to Committee

Meetings may be clerked by any person appointed by the Governors in accordance with the Articles of Association. It is expected that the FGB and Business Management & Audit Committee will normally be clerked by an external clerk to provide for independence. If necessary, the Chair of the committee may commission alternative clerking arrangements including the option for this to be a member of the College's administration team who is not involved in the day to day financial operations. The Clerk will provide support to the committee including:

- Work effectively with the Chair before the meeting to contribute to the agenda
- Take notes of the committee meetings and prepare minutes, including indicating who is responsible for any agreed action
- Record all decisions accurately and objectively, including timescales and responsibilities for any resulting actions
- Send draft minutes to the Chair and Headteacher for consideration within 5 working days. Recipients to provide any comments and feedback within 3 working days of receipt of the draft minutes.
- Circulate the draft minutes to all governors and applicable parties within 2 working days of receiving feedback from the recipients
- Advise absent governors of the date of the next meeting and/or changes to the calendar of meetings
- Work with the Company Secretary to ensure a file of signed minutes, is kept as an archive record, and ensure that signed copies of all minutes and papers discussed are available at the school for public access where applicable
- Manage and maintain a log of current and outstanding actions agreed by the Committee, showing current status, responsible persons, target dates and due dates / completion dates – this includes pro-active management of outstanding actions with those responsible to ensure actions are expedited appropriately

Organisation of meetings and Communication

The Full Governing Body must meet at least termly, usually twice in the Autumn Term and once each in the Spring and Summer Terms. Each committee will meet at least termly, usually in advance of each Full Governing Body meeting. Meeting dates will usually be agreed at the start of each academic year but will be subject to change due to unforeseen circumstances, at the discretion of each committee Chair.

Committee members will receive at least 7 days written notice of a meeting along with an agenda and copies of all papers to be presented or discussed at the meeting.

Minutes of all committee meetings will be taken, which must include all decisions taken and the names of those people present. It is the responsibility of the committee Chair to ensure this happens and that the minutes are made available to all governors within two weeks of the meeting.

Decisions and recommendations must be reported to the next meeting of the FGB via the minutes.

3) Areas of Responsibility of Committees

Except for the Business Management & Audit Committee, each committee will review its terms of reference each year during the Autumn term. The Business Management & Audit Committee terms of reference are determined by the FGB and are included in this document.

Business Management and Audit Committee

Area of Responsibility

- Financial and Accounting Policies, Planning & Organisation
- Audit planning and monitoring of any actions recommended
- Budget Monitoring and approving forecasts to ESFA
- Anti-fraud policy
- Public Relations
- Facilities and catering management
- Energy conservation and environment development plan
- Business Continuity
- Health and Safety
- Management & admin use of IT
- Risk Management , Risk Register and policy

Curriculum and Learning Committee

Areas of Responsibility

- Student outcomes aims and targets
- Lessons and learning
- Raising achievement
- Pupil Premium – achievement gap
- Assessment
- Special Educational Needs and Disabilities (including named governor for SEND)
- Pastoral issues, student welfare, child protection and behaviour
- Curriculum and extra-curricular issues
- Student behaviour and discipline
- Complaints concerning curriculum and learning issues
- Parental engagement and community cohesion

Personnel Committee

Areas of Responsibility

- Pay Policy
- HR Policies
- Staffing
- Staff development
- Communication with staff
- Appraisal/Performance Management (except for that of the Headteacher)
- Quality of teaching
- Department review process
- Link with Business Management committee re staffing and pay affordability

Pay Committee

This is a sub-committee of the Personnel Committee and includes the Chair of Personnel Committee and up to two other non-staff governors from the Personnel Committee. The Pay Committee reports back to Personnel Committee. No other governors are permitted to vote on Pay Committee matters

Areas of responsibility: Implementation of the Pay Policy

Headteacher's Performance Management Committee

This committee comprises three members of the Ivanhoe College Governing Body (normally to include the Chair of Governors plus the Chair of Personnel Committee plus one other governor from the Personnel Committee) to discuss and agree the performance of the Headteacher over the previous period and make progression decisions as appropriate. No other governors are permitted to attend or vote on these matters.

The committee will also agree the Headteacher's performance objectives for the forthcoming year.

Disciplinary, Grievances, Appeals, Complaints and other hearing panels

From time to time a panel of governors is required to hear individual cases and make decisions in line with Ivanhoe policies. Any such panel will be formed from three governors, taking into account the specifics of the situation, and convened by the Chair of Governors. No other governors are permitted to attend or vote on these matters.

Such panels will not include any employees of the Trust but may include governors from other organisations (eg: Ashby School) where Ivanhoe policy requires this.

4) Business Management & Audit Committee - Terms of Reference

The terms of reference are intended to support the operation of matters delegated to the committee under general and financial schemes of delegation and in any approved policies and procedures. References to the 'board' or 'trustees' match the terminology in the Academies Financial Handbook and relate to the Governing Body and governors at Ivanhoe College.

Purpose

To assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the Academy Trust's finances and resources, including proper planning, monitoring and probity. This includes statutory responsibilities, policy review, ensuring the publication of information and other statutory responsibilities including those set out in funding agreements and the Academies Financial Handbook. The scope includes the operation of the College and any other responsibilities of the Trust.

To serve as the Audit Committee as outlined in the Academies Financial Handbook (AFH). To provide financial scrutiny, maintain an oversight of the Academy Trust's governance, risk management, internal scrutiny and control and value for money framework. To support the board in ensuring the trust is maintained as a going concern. To provide assurance to the Governing Body that risks are being adequately identified and managed. The outcome of the work should inform the governance statement that accompanies the trust's annual accounts and, so far as is possible, provide assurance to the external auditors.

Remit

To have delegated authority to make decisions, comments or recommendations on such matters relating to finance, staffing, risk management, health and safety and facilities management on any matters not specifically reserved for the governing body or other committees/individuals within the schemes of financial and general delegation or in relevant policies, procedures or legislation/guidance.

As the Audit Committee:

Internal Scrutiny

Direct the trust's programme of internal scrutiny and reporting to the board on the adequacy of the trust's internal control framework including financial and non-financial controls and management of risks and:

- evaluate the suitability of, and level of compliance with, financial and other controls. This includes assessing whether procedures are designed effectively and efficiently, and checking transactions to confirm whether agreed procedures have been followed
- offer advice and insight to the board on how to address weaknesses in financial and other controls, acting as a catalyst for improvement, but without diluting management's responsibility for day to day running of the trust
- ensure all categories of risk are being adequately identified, reported and managed.
- agree a programme of work annually to deliver internal scrutiny that provides coverage across the year
- review the ratings and responses on the risk register to inform the programme of work, ensuring checks are modified as appropriate each year
- agree who will perform the work
- consider reports at each meeting from those carrying out the programme of work
- consider progress in addressing recommendations
- consider outputs from other assurance activities by third parties including ESFA financial management and governance reviews, funding audits and investigations
- ensure that oversight confirms information submitted to DfE and ESFA that affects funding, including pupil number returns and funding claims (for both revenue and capital grants) completed by the trust is accurate and in compliance with funding criteria

- ensure an annual summary report of the areas reviewed, key findings, recommendations and conclusions is submitted to ESFA within required timescales
- ensure that the governance statement, accompanying its annual accounts, includes details of which of the internal scrutiny options have been applied and why. The outcome of the work must also inform the accounting officer's statement of regularity in the annual accounts.

Ensure that the programme of internal scrutiny is:

- independent and objective – for example it must not be performed by the trust's own accounting officer, chief financial officer or other members of the finance team
- conducted by someone suitably qualified and experienced and able to draw on technical expertise as required
- covered by a scheme of work, driven and agreed by the audit committee, and informed by risk
- timely, with the programme of work spread appropriately over the year so higher risk areas are reviewed in good time
- providing regular updates to the audit committee by the person(s) or organisation(s) carrying out the programme of work, incorporating a report of the work to each audit committee meeting, including recommendations where appropriate to enhance financial and other controls and risk management and a short annual summary report to the audit committee for each year ended 31 August outlining the areas reviewed, key findings, recommendations and conclusions, to help the committee consider actions and assess year on year progress
- made available to all trustees promptly, with findings from internal scrutiny
- kept under review. If the trust changes in size, complexity or risk profile, the committee should consider whether the approach remains suitable.

External Audit

- Advise the members on the appointment, re-appointment, dismissal and remuneration of the external and regularity auditor.
- Review the external auditor's annual planning document and approve the planned audit approach.
- Receive reports (annual reports, management letters etc.) from the external auditor and other bodies, for example the EFA and NAO, and consider any issues raised, the associated management response and action plans. Where deemed appropriate, reports should be referred to the Governing Body for information and action.

Other

- Regularly monitor outstanding audit recommendations from whatever source and ensure any delays to implementation dates are reasonable.
- Ensure that the findings from all audit and internal scrutiny work are made available to all governors promptly

Membership and Committee Chair

The Governing Body will appoint the Chair of the Business Management and Audit Committee and at least two other governors to serve on the Committee. The Chair of the Governors should not be the chair of the committee. The agenda and relevant papers will be circulated to all governors and any governor may attend meetings of the Committee and has full voting rights. The Committee may invite other attendees as appropriate. Other attendees are not entitled to vote in any proceedings of the Committee.

Quorum

The quorum for a meeting of the Committee and any vote shall be three Governors.

Staff Members

The Academies Financial Handbook stipulates that where the trust operates a combined finance and audit committee, staff may be members of the committee but should not participate as members when audit matters are discussed; they may remain in attendance to provide information and participate in discussions. The following staff are members of the Committee on this basis:

- Headteacher as Accounting Officer (voting on non-audit matters given role as governor)
- Business Manager as Chief Financial Officer (non-voting)

Confidentiality & Conflict of Interests

The Committee may need to meet in confidential mode where the subject for consideration is the pay or performance review of any person employed to work at the College. In such cases any relevant person employed to work at the College other than the Headteacher should withdraw unless specifically invited to stay by the Committee to contribute to the consideration of the matter.

Committee Vice Chair

At the first meeting in each academic year, the Committee should appoint a governor to act as Vice Chair of the Committee.

Pecuniary, Business or Conflicts of Interest or Loyalty

Governors recognise the need to declare any interests in accordance with the Articles of Association, relevant regulations and the Governors Code of Conduct. The register of interest must be kept up to date.

Decisions

The Committee will aim to make decisions by consensus. Where voting is necessary, a majority of votes cast will determine the outcome of any vote. In the event of a tied vote, the Chair of the meeting has a deciding second vote or the right of veto. When voting, the Governors will accommodate restrictions relating to avoiding influences company status

Electronic Attendance:

Any person will be able to participate in meetings of the Committees by telephone or video conference if agreed by the Chair provided that governor participation is for the whole agenda item discussion and not just the vote; and if after all reasonable efforts it does not prove possible for the person to participate by telephone or video conference the meeting will still proceed with its business provided it is quorate.

Virtual Meetings (as per bye law of the Board)

Whilst the preference is that meetings will take place with expectation of physical attendance, the Chair of a Committee may, in circumstances which restrict or prohibit this, decide that a meeting is to take place on a virtual basis. In such cases the virtual meeting will be conducted in accordance with the Articles of Association and terms of reference with the additional requirement that governors and other attendees will be provided with details of how to participate in the meeting at least 48 hours in advance of the meeting.

Where it appears to the Chair of Governors that the Committee Chair (whether by reason of vacancy in the office or otherwise) would be unable to exercise this function, the decision to hold a virtual committee meeting may be taken by the Chair of Governors

Role of the Chair of Committee

- To receive and review the monthly management accounts
- Ensure the business of the Committee is conducted properly and in accordance with legal requirements
- Ensure meetings are run effectively, focusing on priorities and making the best use of time available, and to ensure that all members have an equal opportunity to participate in discussion and decision-making

- In the event of urgent decisions needing to be made between meetings, in consultation with the Accounting Officer, Chief Financial Officer and the Chair of Governors, take appropriate action on behalf of the committee. This may include commissioning polls for voting by e mail or in extremis taking decisions of behalf of the Committee under 'Chair's Action'
- To decide after consultation with the Accounting Officer and Chief Financial Officer whether any internal and/or external non voting advisors or representatives will be required to attend meetings
- To decide on the appropriate clerking arrangements for the committee given the nature of business to be transacted.

Role of Clerk to Committee

Meetings may be clerked by any person appointed by the Governors in accordance with the Articles of Association. It is expected that the Committee will normally be clerked by an external clerk to provide for independence. If necessary, the Chair may commission alternative clerking arrangements including the option for this to be a member of the College's administration team who is not involved in the day to day financial operation. The Clerk will provide support to the committee including:

- Work effectively with the Chair, Headteacher and Business Manager before the meeting to contribute to the agenda
- Take notes of the committee meetings and prepare minutes, including indicating who is responsible for any agreed action
- Record all decisions accurately and objectively, including timescales and responsibilities for any resulting actions
- Send draft minutes to the Chair, Headteacher and Business Manager for consideration within 5 working days. Recipients to provide any comments and feedback within 3 working days of receipt of the draft minutes.
- Circulate the draft minutes to all governors and applicable parties within 2 working days of receiving feedback from the recipients
- Advise absent governors of the date of the next meeting and/or changes to the calendar of meetings
- Work with the Company Secretary to ensure a file of signed minutes, is kept as an archive record, and ensure that signed copies of all minutes and papers discussed are available at the school for public access where applicable
- Manage and maintain a log of current and outstanding actions agreed by the Committee, showing current status, responsible persons, target dates and due dates / completion dates – this includes pro-active management of outstanding actions with those responsible to ensure actions are expedited appropriately

Role of Accounting Officer and Chief Financial Officer

- Provide assistance and advice to the Committee in accordance with the respective responsibilities in the Academies Financial Handbook
- Attend meetings of the Committee
- Ensure that the College has secured appropriate external advice so that the work of the Committee is in accordance with statutory requirements, agreed policies and best practice
- Make appropriate domestic arrangements for meetings including venue, catering and equipment required.
- Work effectively with the Chair and before the meeting to contribute to prepare the agenda
- Produce, collate and distribute by e mail or other electronic communication the agenda and papers so that recipients receive them at least seven working days before the meeting
- Maintain the files of committee minutes and papers for public inspection and audit purposes

Frequency of Meeting

The Committee will meet at least termly

5) Scheme of Financial Delegation

a) Authority and Duties Reserved for the Governing Body

General

- 1.1 Approval of a written scheme of delegation of its financial authorities and duties to its Business Management Committee, the Accounting Officer and other staff. The scheme must satisfy the Governing Body's ultimate responsibility for ensuring that there are adequate operational controls in place for all the financial processes within the Academy. The Scheme of Delegation should be operated in conjunction with the Financial Procedures Manual of the Academy.
- 1.2 The governing body has overall responsibility for the administration of the academy's finances. The main responsibilities of the governing body are prescribed in the Funding Agreement between the academy and the DfE and in the academy's scheme of governance.

Budgets/Budgetary Control

- 1.3 Formally approving the annual Academy budget prior to the start of each financial year.
- 1.4 Considering budgetary control reports from the Business Management & Audit Committee at every meeting, with relevant explanations and documentation where required.
- 1.5 Authorisation of all virements between budget headings and awarding of contracts in excess of £20,000.
- 1.6 Reviewing the virement of sums between budget headings and awarding of contracts (less than £20,000) as authorised by the Business Management Committee.

Purchasing

- 1.7 Maintenance of a Register of Business Interests for all Governors and all Academy staff with financial responsibilities.
- 1.8 Authorisation of the advertising and award of tenders above £50,000.
- 1.9 Accepting the best value tender and minuting the reason(s) for their decision.
- 1.10 Authorising orders above £20,000 for all purchases and approving Asset Management Plan spending above £20,000 via the presented plan and receiving reports retrospectively from the Headteacher in relation to suppliers chosen

Income

- 1.12 Ensuring grants from the DfE/ESFA are used only for the purposes intended
- 1.13 Ensuring that funds from ESFA are received according to the academy's Funding Agreement and are used only for the purposes intended

Compensation

- 1.14 Authorisation of staff severance payment or compensation following detailed ESFA guidance.

Security of Assets

- 1.15 Authorisation of the disposal of individual items of equipment and materials that have come surplus to requirements, unusable or obsolete as approved by the Headteacher over £500.

Accounts and Audit

- 1.16 Appointment of external auditors
- 1.17 Review of the draft financial statements prior to audit and approval of the audited financial statements prior to submission to the ESFA by 31 December.
- 1.18 Receiving the reports of the external auditor.
- 1.19 Receiving from Business Management & Audit Committee the reports of the Responsible Officer on the use of resources, systems of internal financial control, and discharge of financial responsibilities.
- 1.20 Informing the ESFA if it suspects any irregularity affecting resources.

Personnel

1.19 Appointment of the Headteacher and Deputy Headteacher.

1.20 Approval of the staffing and leadership structure of the Academy.

b) Authority and Duties Delegated to the Business Management & Audit Committee

General

- 2.1 Exercising the powers and duties of the Governing Body in respect of the financial administration of the Academy, except for those items specifically reserved for the Governing Body and those delegated to the Accounting Officer and other staff.
- 2.2 Reporting on decisions taken under delegated powers to the next meeting of the Governing Body, through committee minutes.
- 2.3 The Business Management & Audit Committee is a committee of the governing body and meets at least four times a year, but more frequent meetings will be arranged when necessary

Budgets/Budgetary Control

- 2.5 Develop the annual Academy budget prior to the start of each financial year and recommend its acceptance, or otherwise to the Governing Body.
- 2.6 Consider budgetary control reports on the Academy's financial position, taking appropriate action to contain expenditure within the budget and report to the Governing Body.
- 2.7 Regular monitoring of actual expenditure and income against budget and approving forecasts to be submitted to external bodies (such as ESFA) as and when required
- 2.8 Review and approve the virement of sums between budget headings, subject to a limit of £20,000, as recommended by the Accounting Officer.
- 2.10 Reporting to the Governing Body all significant financial matters and any actual or potential variations from the approved budget.

Purchasing

- 2.11 Authorising the award of orders and contracts over £10,000 and up to £30,000, where no provision has been made within the budget.
- 2.12 Reviewing the award of contracts up to £50,000, as approved by the Accounting Officer, where provision has been made within the budget.
- 2.13 Approving Asset Management Plan spending via the presented plan and receiving reports retrospectively from the Business Manager in relation to suppliers chosen

Insurance

- 2.14 Ensuring that arrangements for insurance cover are in place and are adequate

Income.

- 2.15 Monitoring of Income collection.

Security of Assets

- 2.16 Ensuring that there are annual independent checks of assets and the asset register.

Personnel

- 2.17 Authorising funding for permanent changes to the Academy's staffing structure.

Accounts and Audit

- 2.18 Reviewing the draft financial statements and highlighting any significant issues to the Governing Body, prior to submission to the ESFA by 31 December.
- 2.19 Reviewing the reports of the Responsible Officer on the effectiveness of the financial procedures and control. These reports must also be reported to the Governing Body by way of circulation of minutes and Finance Chair's report at Full Governing Body meetings.
- 2.20 Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DfE guidance issued to Academies

c) Financial Authority and Duties Delegated to the Accounting Officer

The Accounting Officer has delegated powers and functions in respect of internal organisation, management and control of the Academy and the implementation of all policies approved by the Governing Body.

Within the framework of the academy improvement plan as approved by the governing body the Accounting Officer has overall executive responsibility for the academy's activities. Much of the day to day financial activity is expected to be delegated to the Business Manager but the Accounting Officer retains responsibility for:

Budgetary Control

- 3.1 Reviewing income and expenditure reports and highlighting actual or potential overspending to the Finance Committee.
- 3.2 Approving virements between budget headings in conjunction with the Business Manager up to £10,000 and reporting such approval to the Business Management Committee.

Financial Management

- 3.3 Ensuring the arrangements for collection of income, ordering of goods and services, payments and security of assets are in accordance with the Academy's Financial Procedures.

Purchasing

- 3.4 Authorising orders and contracts up to £50,000 in conjunction with the Business Manager (in line with Appendix 3 of this document).
- 3.5 Signing cheques in conjunction with other authorised signatory
- 3.6 Ensuring that all contracts and agreements conform to Financial Regulations.
- 3.7 Approving Asset Management Expenditure up to £50,000 (in line with Appendix 3 of this document) and reporting retrospectively to Business Management Committee and Governing Body the choice of suppliers for the work approved via the Asset Management Plan over £10,000.

Income

- 3.8 Authorisation of invoices to collect income up to £10,000

Payroll and Personnel

- 3.9 Approving new staff appointments within the authorised staff structure.
- 3.10 Certifying payment of salaries each month, in conjunction with the Business Manager.

Security of Assets

- 3.11 Ensuring that proper security is maintained at all times for all buildings, furniture, equipment, vehicles, stocks, stores, cash, information and records etc under his/her control.
- 3.12 Authorisation to dispose of assets and report to Full Governors.

Write-Offs

- 3.13 Authorisation to write-off of bad debts/loans up to £500.

Information and Communication System

- 3.14 Maintaining the standards of control for such systems in operation within the Academy to include the use of properly licensed software, and for the security and privacy of data in accordance with the Data Protection Act.

Accounts and Audits

- 3.15 The operation of financial processes within the Academy, ensuring that adequate operational controls are in place and that the principles of internal control are maintained.
- 3.16 Ensuring that full, accurate and up to date records are maintained in order to provide financial and statistical information.
- 3.17 Ensuring that all records and documents are available for audit by the appointed external auditors and by the Responsible Officer.

d) Financial Authority and Duties Delegated to the Business Manager

The Business Manager works in close collaboration with the Headteacher through whom he or she is responsible to the governors. The Business Manager also has direct access to the governors via the Business Management & Audit Committee. The main responsibilities of the Business Manager are:

Budgets/Budgetary Control

- 4.1 Developing an annual budget plan for consideration by the Business Management & Audit Committee and Governing Body before the start of the relevant financial year.
- 4.2 Monthly monitoring of expenditure and income against the approved budget and submitting reports on the Academy's financial position to every meeting of the Business Management & Audit Committee. Any actual or potential material variance shall be reported.
- 4.3 The day to day management of financial issues including the establishment and operation of a suitable accounting system
- 4.4 The management of the academy financial position at a strategic and operational level within the framework of financial control determined by the governing body.
- 4.5 The maintenance of effective systems of internal control
- 4.6 Ensuring the annual accounts are properly presented and adequately supported by the underlying books and records of the academy
- 4.7 Ensuring forms and returns are sent to the DfE/ESFA in line with the timetable in the DfE guidance

Purchasing

- 4.8 Authorising orders and contracts up to £3,000 in conjunction with Budget Holders.
- 4.9 Maintaining a register of formal contracts entered into, amounts paid and certificates of completion.
- 4.10 Retention of quotes obtained for goods, works and services as appropriate.
- 4.11 Ensuring that all correct invoices are approved by authorised staff before payments are made and that invoices, vouchers and other records are retained and stored in a secure way and are readily available for inspection by authorised persons.
- 4.12 Ensuring the appropriate segregation of duties between staff responsible for processing orders, receiving deliveries and processing payments.

Payroll and Personnel

- 4.13 Notifying the payroll provider of any matters affecting payments to employees.
- 4.14 Ensuring that monthly payroll is checked and certifying it for payment in conjunction with the Headteacher.

Income

- 4.15 Ensuring that all income is accurately accounted for and is promptly collected and banked.

Banking Arrangements

- 4.16 Maintaining proper records of account and reviewing monthly bank reconciliations.

Insurance

- 4.17 Notifying the Business Management & Audit Committee on any eventuality that could affect the Academy's insurance arrangements.

Security of Assets

- 4.18 Maintaining a permanent and continuous register of all items of furniture, equipment, vehicles and plant, loans and assets.

e) Financial Authority and Duties Delegated to other Academy staff

Members of staff with delegated responsibilities should be aware that these must be exercised in accordance with Financial Regulations.

Other members of staff, primarily the Finance Officer, the Finance Assistant, and budget holders, will have some financial responsibilities and these are detailed in the Financial Regulations Manual. All staff are responsible for the security of academy property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the academy's financial handbook.

The following responsibilities are delegated to other staff in addition to the Accounting Officer and Business Manager. This should be read in conjunction with the more detailed delegated powers identified in the Financial Regulations Manual for other staff.

Budgets/Budgetary Control

5.1 Budget Holders are responsible for statements of expenditure against their delegated budget. Any actual or potential overspending should be reported to the Business Manager who should overview this process and report any material variances to SLT.

Purchasing

5.2 Budget Holders can authorise orders up to £3,000 provided it is within the scope and remaining balance of their delegated budget. Orders over £3,000 and up to £10,000 must be countersigned by the Headteacher

5.3 The following members of staff, in addition to the Business Manager are authorised to open tenders in the presence of another authorised person:

- Headteacher
- Deputy Headteacher

5.4 All members of staff are authorised to receive and check goods

Income

5.5 The Facilities Manager may authorise invoices for collection of lettings income up to £1,000.

5.6 The Finance Officer may authorise invoices for collection of income up to £1,000.

Appendix 1 – Committee Membership 2020/21

Business Management & Audit	Personnel	Curriculum & Learning
Eddie Shephard (Chair)	Amy Derbyshire (Chair)	Mary Webster (Chair)
Alison Allford (AO)	Karen Westwood	Norma Morris-Chapman
Chris Stevens	Graham McKay	Rebecca Packington
Graham McKay	Nicola Eccersley	Katy Clemons
Rob Dover		Rob Dover
		Ann Wilton
SLT Link – Alison Allford & Tracy Winfield	SLT Link – Alison Allford, Emma Cresswell & Sarah Lane	SLT Link – Alison Allford, Greg Bellmore & Dave Berrow

Appendix 2 – Working Group Membership

Futures	Future Technology	Health & Safety
Graham McKay	Dave Berrow (Chair)	Jeanette Harris (Chair)
Alison Allford	Alison Allford	Alison Allford
Eddie Shephard	Tracy Winfield	Tracy Winfield
Mary Webster	Craig Wardle	Craig Cubitt
Amy Derbyshire	Mel Konig	Karen Westwood
		Wendy Rix
		Mitchel Colcombe
		Laura Tickle
		Representative from both Design and Science Depts
<i>NB: Futures Working Group comprises Chair, Headteacher and chair of each committee</i>		M Wileman / B Duncombe

Appendix 3: Summary of Financial Authorisation Levels

NB: BMC = Business Management & Audit Committee

FGB – Full Governing Body

AO = Accounting Officer

BM = Business Manager

CFO = Chief Financial Officer

Delegated Duty	Value	Delegated Authority	Method
Raising Requisitions for goods and services (where provision has been made within the budget)	≤ £3,000	BM	Business Manager to ensure value for money demonstrated. Selection from preferred supplier lists.
	£3,001 - £10,000	AO	Best value delivered via procurement frameworks, or purchasing consortia (e'g' ESPO) or at least 2 recorded comparisons from quotations, catalogue price lists, or on line prices.
	Over £10,000 - £50,000	BMC	Best value delivered via procurement frameworks, or purchasing consortia (e.g. ESPO) or at least 3 recorded comparisons from quotations, catalogue price lists, or on line prices.
	Over £50,000	FGB	Formal tendering process, including advertising in OJEU (if over the OJEU threshold). Tender approval group of 3 non-staff governors which <u>should</u> include the chair or vice chair of governors and the chair of the Business Management and Audit Committee. The Accounting Officer and Chief Finance Officer may also join the group in a non-voting capacity to provide advice and guidance. The award of tenders via this method will be reported to the next meeting of the Business Management and Audit Committee or Governing Body by the Chief Finance Officer and minuted accordingly.
Raising Requisitions for goods and services (where <u>no</u> provision has been made within the budget)	Over £10,000 - £30,000	BMC	Procurement frameworks, or purchasing consortia (e.g. ESPO) or at least three recorded comparisons from quotations, catalogue price lists, or on line prices. Business Management Committee. If there is a clear need for expediency and approval before the next scheduled meeting the chair of the committee may elicit comment and approval from the committee by email on a majority of those voting. In such circumstances the reason for using this power and the decision will be reported to the next meeting of the committee and recorded in the minutes.

Delegated Duty	Value	Delegated Authority	Method
	Over £30,000 - £50,000	FGB	Procurement frameworks, or purchasing consortia (e.g. ESPO) or at least 3 quotations. Governing Body. If there is a clear need for expediency and approval before the next scheduled meeting the chair of the Governing Body may elicit comment and approval from the committee by email on a majority of those voting. In such circumstances the reason for using this power and the decision will be reported to the next meeting of the Governing Body and recorded in the minutes.
	Over £50,000	FGB	Formal tendering process, including advertising in OJEU (if over the OJEU threshold) Governing Body. If there is a clear need for expediency and approval before the next scheduled meeting the chair of the Governing Body may elicit comment and approval from the committee by email on a majority of those voting. In such circumstances the reason for using this power and the decision will be reported to the next meeting of the committee and recorded in the minutes.
Credit Card usage or payment card	≤ £3,000	BM	Business Manager to ensure value for money demonstrated. Selection from preferred supplier lists.
	£3,001 - £10,000	AO	As above
Signatories for cheques	≤ £8,000	Two type A* signatories	
	> £8,000	One type A* and one type B** signatory	
Signatories for BACS payments and other bank transfers	With no individual payment > £8,000	Two Type A* signatories	
	With ≥ one individual payment > £8,000	Two Type A* signatories OR One type A* and one type B** signatory	
Signatories for ESFA grant claims and ESFA returns	Any	AO or BM	
Raising Invoices to collect income	≤ £1,000	Finance officer	
	≤ £1,000 for lettings	Facilities Manager	
	> £1,000	BM or AO	
Virement of Budget provision between budget heads	≤ £10,000	AO	Must be reported to BMC
	£10,000 to £20,000	BMC	Must be reported to FGB
	> £20,000	FGB	
Novel, contentious and/or repercussive transactions	Any	ESFA	AFH section 5.6 applies
Non-contractual staff severance payments (gross)	< £50,000	FGB	AFH section 5.7 applies
	≥ £50,000	ESFA	
Non-contractual compensation payments	< £50,000	FGB	
	≥ £50,000	ESFA	
Ex-gratia payments	Any	ESFA	
Write-off of Bad Debt	£500	AO	AFH section 5.18 applies Limits apply per single transaction Cumulatively, limit of 5% of total annual income in any financial year per category of transaction
	£5,000	BMC	
	≤ 1% of annual income or ≤ £45,000 (whichever smaller)	FGB	
	> £45,000 or 1%	ESFA	
Acquiring of disposal of freehold land or buildings	Any	ESFA	AFH section 5.22 applies

Delegated Duty	Value	Delegated Authority	Method
Disposal of heritage assets	Any	ESFA	
Taking up a finance lease. Taking up any leasehold or tenancy Granting leasehold to other party	Any	ESFA	AFH section 5.24 applies
Other types of lease	Any	FGB	
Borrowing	Any	ESFA	AFH section 5.32 applies Academy trusts must obtain ESFA's prior approval for borrowing (including finance leases and overdraft facilities) from any source, where such borrowing is to be repaid from grant monies or secured on assets funded by grant monies, regardless of the interest rate chargeable. Credit cards must only be used for business expenditure, and balances cleared before interest accrues.
Related Party Transactions	≤ £20,000	BMC	AFH section 5.34 to 5.42 applies All related-party transactions must be reported to ESFA using their online form before transaction takes place. The £20k limit applies to single transaction or cumulative transactions in one financial year. Goods and services to be supplied "at cost"
	> £20,000	ESFA	

(Updated in line with Academies Financial Handbook 2020)

***Type A is school staff, bank account authorised signatories**

****Type B is Governor bank account authorised signatories**