

JOHN TAYLOR MULTI ACADEMY TRUST

Appendix A – Scheme of Delegation

JTMAT Audit and Compliance Committee should agree a Scheme of Delegation, established as a formal schedule that distinguishes between matters reserved exclusively for the Trustees' approval or decision, and matters delegated to LGB committees and individuals. The Scheme of Delegation should include the financial limits and signatories applicable to such matters as placing orders and contracts, and issuing cheques.

These limits will be applied to JTMAT academies with an Ofsted rating of good or outstanding. Academies rated below that level have a reduced level of delegation in line with Table A at the end of this document. Levels of delegation will be reviewed annually and adjusted in keeping with the Ofsted rating awarded to the academy in question.

This is a key document which forms the basis for all financial controls in the Trust and should be approved/reviewed at the first meeting of the Audit and Compliance Committee each year.

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1. Powers and Duties Reserved for JTMAT Board

The Members and Trustees have ultimate responsibility for the trust achieving its charitable objectives and must also ensure compliance with company and charity law and with the trust's funding agreement with the Secretary of State.

They shall be responsible for:

1.1 Approval of a written scheme of delegation of its financial powers and duties to its Managing and Organising Committees, its Heads of Schools and other staff (delegated to the Audit and Compliance Committee). The scheme must satisfy the Trustees' ultimate responsibility for ensuring that there are adequate operational controls in place for all the financial processes within the Trust. The Scheme of Delegation should be operated in conjunction with the JTMAT Financial Regulations, within the latest statutory framework.

1.2 Ensure the election of Chair and appointment of Governors to the Local Governing Body Committees.

Budgets/Budgetary Control

1.3 Formally approving the annual Academy budget for each of its schools at least two months prior to the start of each financial year.

1.4 Considering budgetary control reports from the LGB Managing and Organising Committees at every meeting, with relevant explanations and documentation where required.

1.5 Authorisation of all variations which cumulatively total in excess of £30,000 between budget headings. Details of all variations approved and authorised by the Managing and Organising Committees are to be formally notified to the Trust Board.

Purchasing

1.6 Maintenance of a Register of Business Interests for all Governors, Trustees and Academy staff with financial responsibilities.

1.7 The JTMAT Board is responsible for authorising the advertising of tenders above £100,000, and authorising the award of such tenders.

1.8 Tenders other than the most financially favourable, or late tenders, can only be accepted by the Trust Board who shall minute the reasons for their decision.

Income

1.9 Authorisation of the write off of debts not collectable (the Secretary of State's prior approval is also required if debts to be written off are above the value set out in the annual funding letter).

Security of Assets

1.10 Authorisation of the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with an original purchase value between £5,001 and £20,000.

2. Powers and Duties Delegated to JTMAT Audit and Compliance Committee

Accounts and Audit

- 2.1** To recommend a Scheme of Delegation for adoption by the Trust Board, established as a formal schedule that distinguishes between matters reserved exclusively for the Directors and Members approval or decision, and matters delegated to LGB committees and individuals.
- 2.2** To make recommendation to the Trust Board regarding the appointment of external auditors.
- 2.3** To review the external auditors annual planning document and approve the planned audit approach.
- 2.4** To review the draft financial statements and audit report and recommending approval of the audited financial statements to the Trust Board prior to submission to the ESFA by 31 December.
- 2.5** To agree an annual programme of internal audit checks.
- 2.6** To receive internal audit reports on the use of resources, systems of internal financial control, and discharge of financial responsibilities and report such to the Trust Board.
- 2.7** To ensure compliance and effectiveness of the risk management process and recommending changes/amendments of those processes to the Trust Board.
- 2.8** Receive, note and disseminate across the JTMAT, new guidelines on best practice in financial and governance matters.
- 2.9** Annual review of JTMAT levels of financial autonomy delegated to each of its academies. Only the Trust Board can make this decision.
- 3.0** Review of the Financial Procedures Administration and Control handbook, its appendices and related policies.
- 3.1** To review all JTMAT policies and appendices as they fall due and make recommendations to the MAT board for the adoption of any necessary amendments/additions.
- 3.2** Review of appropriate level of JTMAT uncommitted reserves.
- 3.3** Informing the Trust Board if it suspects any irregularity affecting resources.
- 3.4** To review an annual report on school Gifts and Hospitality registers.

3. Powers and Duties Delegated to the LGB Managing and Organising Committee

The Managing and Organising Committees shall be responsible for:

General

3.1 Exercising the powers and duties of the Trust Board in respect of the financial administration of each Academy, except for those items specifically reserved for the Trust Board and those delegated to the CEO and other staff.

3.2 Reporting on decisions taken under delegated powers to the next meeting of the Committee.

Budgets/Budgetary Control

3.3 Reviewing the annual Academy budget prior to the start of each financial year and recommending its acceptance, or otherwise to the Trust Board.

3.4 Considering budgetary control reports on the Academy's financial position at every meeting, taking appropriate action to contain expenditure within the budget and report to the Trust Board.

3.5 Reviewing the variations of sums between budget heads, subject to a limit of £30,000, as approved and authorised by the Head of School, which are to be formally notified to the Managing and Organising Committee who shall minute the notification.

3.6 Reporting to the Trust Board all significant financial matters and any actual or potential overspending.

Purchasing

3.7 Authorising the award of orders and contracts between £30,001 and £100,000.

Insurances

3.8 Ensuring that arrangements for insurance cover are in place and adequate.

Security of Assets

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

3.10 Authorising the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete with an original purchase value of up to £5,000.

4 Powers and Duties Delegated to the Chief Executive Officer (CEO) as Accounting Officer for the Trust

Governance

4.1 To make recommendations to the JTMAT Board regarding changes to Governance arrangements, JTMAT Terms of Reference and Articles or Funding agreements.

Budgets/Budgetary Control

4.2 Approving variations between budget headings of over £30,000 and reporting such approval to the MAT Board.

Purchasing

4.3 Authorising orders and contracts between £30,001 and up to £100,000 including authorising suitably justified requests to waiver Trust procurement procedures and reporting to the JTMAT Board.

Payroll and Personnel

4.4 Authorising permanent changes to the establishments of all JTMAT Academies.

4.5 Approving staff appointments/terminations and variations for all JTMAT schools within the authorised establishment.

4.6 Certifying the payment of salaries each month, in conjunction with the JTMAT Chief Operating Officer.

5 Powers and Duties Delegated to the Chief Operating Officer (COO)

Budgets/Budgetary Control

5.1 To make recommendations to JTMAT Audit and Compliance Committee regarding changes to the Scheme of Delegation.

5.2 Recommendation of an annual JTMAT budget to the JTMAT Board in respect of JTMAT management fee income.

5.3 Presentation of JTMAT budgetary control reports to each meeting of the MAT Board.

5.4 Approving variations between budget headings of up to £30,000 and reporting such approval to the MAT Board.

5.5 Ensuring all JTMAT contracts and agreements conform to current Financial Regulations.

Purchasing

5.6 Authorising orders and contracts between £10,001 and up to £30,000 and reporting to the MAT Board.

Payroll and Personnel

5.7 Authorising staff appointments/terminations and variations for all JTMAT schools via the MyView HR online portal following approval by CEO.

5.8 Certifying the payment of salaries each month, in conjunction with the JTMAT Chief Executive Officer.

Accounts and Audit

5.9 The operation of financial processes within each Academy, ensuring that adequate operational controls are in place and that the principles of internal control are maintained.

5.10 Ensuring that full, accurate and up to date records are maintained in order to provide financial and statistical information.

6 Financial Powers and Duties Delegated to the Head(s) of School

The Head of School(s) have delegated powers and functions in respect of internal organisation, management and control of the Academy, the implementation of all policies approved by the Trust Board and for the direction of teaching and the curriculum.

The Head(s) School shall be responsible for:

Budgetary control

6.1 Reviewing income and expenditure reports and highlighting actual or potential overspending to the LGB Managing and Organising Committee.

6.2 Approving variations between budget headings between £10,001 and £30,000 and reporting such approval to the COO and Managing and Organising Committee.

Financial Management

6.3 Ensuring the arrangements for collection of income, ordering of goods and services, payments and security of assets are in accordance with JTMAT Financial Regulations.

Purchasing

6.4 Authorising orders and contracts between £5,001 and £30,000 (Primary) and £10,001 and £30,000 (Secondary).

6.5 Ensuring that all contracts and agreements conform to the Financial Regulations. NB: Heads of School can sign formal contracts and agreements for values above their personal authorisation level providing that those contracts have been awarded using the Trusts normal procurement processes.

Security of Assets

6.6 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.

Accounts and Audit

6.7 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.

6.8 Ensuring that full, accurate and up to date records are maintained in order to provide financial and statistical information.

6.9 Ensuring that all records and documents are available for audit by the appointed internal and external auditors.

7 Financial Powers and Duties Delegated to Secondary school Business Managers NB: In primary schools these responsibilities may be undertaken by an Office or Finance manager in conjunction with the Head of School

The Business Manager shall be responsible for:

Budgets/Budgetary Control

7.1 Preparing an annual draft budget plan for consideration by the LGB Managing and Organising Committee and Trust Board before the start of the relevant financial year.

7.2 Monthly monitoring of expenditure and income against the approved budget and submitting reports on the Academy's financial position to every meeting of the Managing and Organising Committee. Any actual or potential overspending shall be reported to the Committee.

7.3 Approving variations between budget headings up to a value of £10,000 and reporting such approval to the Managing and Organising Committee.

Purchasing

7.4 Authorising orders and contracts between £10,001 and £30,000 in conjunction with Budget Holders.

7.5 Maintaining a register of formal contracts entered into, amounts paid and certificates of completion.

7.6 Retention of quotes obtained for goods, works and services.

7.7 Ensuring that all correct invoices are duly certified 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.

7.8 Ensuring the appropriate division of duties between staff responsible for processing orders, receiving deliveries and processing payments.

Payroll and Personnel

7.9 Notifying the payroll provider of any matters affecting payments to employees.

7.10 Ensuring that the monthly payroll is checked, and certifying it for payment and confirming such to JTMAT COO.

Income

7.11 Ensuring that all income is accurately accounted for and is promptly collected and banked intact.

Banking Arrangements

7.12 Maintaining proper records of account and reviewing monthly bank reconciliations.

Insurances

7.13 Notifying the Managing and Organising Committee on any eventuality that could affect the Academy's insurance arrangements.

Security of Assets

7.14 Maintaining a permanent and continuous register of all items of furniture, equipment, vehicles and plant.

Information and Communication Systems

7.15 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 General Data Protection Regulations (2018).

7 Financial Powers and Duties Delegated to other staff

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

The following responsibilities are delegated to other staff in addition to the Head(s) of School, Business Manager and Finance staff:

Budgets/Budgetary Control

7.1 Subject Area Leaders appointed as Budget Holders are responsible for checking budget reports against their delegated budget and for reporting any errors or irregularities to the Finance/Business Manager. Any actual or potential overspending shall also be reported to the Finance/Business Manager.

Purchasing

7.2 Budget Holders can authorise orders up to £5,000 provided it is within the scope and remaining balance of their delegated budget.

7.3 The following members of staff, in addition to the Head of School and Finance/Business Manager are authorised to open tenders in the presence of another authorised person:

- Deputy Head(s) of School
- Assistant Head(s) of School

7.4 The following members of staff are authorised to receive and check goods:

- Budget Holders
- Administrators nominated by the Budget Holder

8 Summary of Financial Authorisation Levels

Delegated Duty	Value	Delegated Authority	Method
Ordering Goods and Services (raising requisitions)	Up to £5,000	Budget Holder/Finance Officer (Primary school)	Selection from preferred supplier list unless agreed otherwise with Finance Office
	£5,001 to £10,000	Finance Officer(Secondary sch) /Primary Head of School	Two quotes required
	£10,001 to £30,000	Primary and Secondary Head of School/Secondary school Business Manager or JTMAT COO	Three quotes required
	£30,001 to £100,000	JTMAT CEO plus report to LGB Managing and Organising Committee	Formal tendering process, including advertising in OJEU (if over the OJEU threshold)
	Over £100,000	As above plus report to JTMAT Board	
	Authority to accept other than lowest quotation or tender	JTMAT Board	
	Authority to approve a formal request to waiver Trust normal procurement procedures	JTMAT CEO and reporting to JTMAT Board	All requests above £5,000
Signatories for cheques, BACS payment authorisations and other bank transfers	Any	Two signatures from a minimum of three in accordance with the bank mandate for each school/Trust	
Signatories for EFA grant claims and EFA returns	Any	Two signatories (or as required by EFA) from: - JTMAT COO - JTMAT CEO - Nominated Trustee	
Variation of budget provision between budget heads	Up to £10,000	Head of School (Primary School)/JTMAT COO/ Secondary School Business Manager/Primary Finance Officer, reporting to the Managing and Organising Committee	
	£10,001 to £30,000	Heads of School (Primary and Secondary) reporting to the Managing and Organising Committee	
	Over £30,000	CEO - reporting to the JTMAT Board	

Disposal of assets	Up to £5,000	Managing and Organising Committee	
	£5,001 to £20,000	M&O plus JTMAT Board	
	Over £20,000	M&O, JTMAT Board plus ESFA approval required for disposal of assets funded with more than £20,000 of ESFA grant, or transferred from an LA at nominal consideration	
Write-off of bad debts	Up to £1,000	Managing and Organising	
	£1,001 - £44,999	M&O plus Trust Board	
	Over £45,000	M&O, Trust Board plus ESFA approval	
Purchase or sale of any freehold property	Any	ESFA approval required	
Granting or take up of any leasehold or tenancy agreement exceeding three years	Any	ESFA approval required	
Raising invoices to collect income	Up to £5,000	Business Manager/ Senior Finance Officer(Secondary School) Finance Officer (Primary School)	
	£5,001 to £10,000	Head of School or JTMAT COO	
	£10,001 to £100,000	Managing and Organising Committee/JTMAT Board	
	Over £100,000	JTMAT Board	

TABLE A - Academy levels of Financial Autonomy

Level of Financial Autonomy	Control Over	Identification	Notification of move reducing autonomy to next level down
4 - Complete	All aspects of financial and budgetary management, staff employment, resource procurement, capital programmes, capitation, et al under the full control of the Head of School/LGB	Through regular financial and budgetary monitoring and evaluation undertaken by JTMAT COO	Verbal highlighting of issues by JTMAT Chief Operating Officer to Head of School/ LGB to enable remedial actions before next LGB meetings
3 – Largely	Largely full autonomy with most aspects of financial and budgetary management, resource procurement, capitation, et al under the full control of the Head and LGB but with wider controls/some restrictions on some high level staff employment, capital programmes and larger expenditures or virements of the budget	Through regular financial and budgetary monitoring and other internal evaluation undertaken by COO	Written reports of JTMAT COO detailing recommendations to remedy any issues identified. Followed by a recorded letter of extent of reduction in autonomy from CEO to LGB
2 – Reduced	Reduced autonomy in many areas of financial and budgetary management as well as most large financial expenditures including most high level staff employment, larger resource procurement, capital programmes and any larger expenditures or virements of the budget	Through regular financial and budgetary monitoring and evaluation by COO /CEO plus Chair of Audit and Compliance Committee to identify remedial actions	Letter from CEO to LGB outlining issues and detailed recommendations of CEO and the Chair of the Audit and Compliance Committee to remedy issues identified in order to regain greater autonomy
1 – Minimal	Significant reductions in all areas of financial and budgetary management as well as most large financial expenditures including all staff employment, larger resource procurement, capital programmes and all larger expenditures or virements of the budget	Following extensive monitoring and evaluation by COO/ CEO and Chair of Audit and Compliance Committee to make recommendations for necessary reductions in autonomy	Letter from Chair of Trust Board to LGB outlining issues and detailing recommendations of CEO/ COO and Audit and Compliance Committee that must be immediately implemented in order to address serious weaknesses identified
0 - None	Zero autonomy with all aspects of financial management, staff employment, resource procurement, capital programmes, capitation, etc under the full control of the CEO/COO and MAT Board	Following extensive monitoring and evaluation by COO/ CEO and Audit and Compliance Committee all financial autonomy is removed to prevent further financial risk/ damage to the Trust	

JTMAT Board reserves the right to reduce autonomy levels upon notification of the resignation of a senior member of staff with financial responsibility