

The Skylark Partnership Financial Scheme of Delegation 21/22



MISSION STATEMENT

To ensure that robust systems of financial management and control are in place to ensure the efficient and effective management of the delegated funds across all academies within The Skylark Partnership.

AIMS

- To ensure the most efficient and effective deployment of resources;
- To ensure that 'best value' is achieved;
- To ensure compliance with the ESFA Academy Trust Handbook; and
- To ensure that the interests of the students are at the heart of all decision making.

Approved by the Trust Board: _____

General delegation principle

A Multi Academy Trust's (MAT) Board of Trustees is accountable in law for all major financial decisions about their Academies. However, this does not mean that the Board is required to carry out all the Trust's governance functions and many can and should be delegated, including to the Chief Executive Officer, the Trust Board's Committees, and to Academy Committees. It is vital that the decision to delegate a function is made by the full Board of Trustees and is recorded. The delegated authorities will be reviewed annually by the Board of Trustees. Without such delegation, the individual or Committee has no power to act.

Financial Scheme of Delegation

This Financial Scheme of Delegation is the key document seeking to demonstrate the principles which determine and define the financial lines of responsibility within our MAT. It is intended to be clear so that Trustees, Members and Academy Committees – all volunteers working within the MAT - are clear in respect of their roles and the key aspects of the decision making of the financial effectiveness of the Trust. This Financial Scheme of Delegation for all financial decision making in the Trust works alongside the written Scheme of Delegation for The Skylark Partnership.

Finance Committee

The MAT Board hereby resolves to establish a Scrutiny Committee of the MAT Trust Board to be known as the MAT Finance Committee and will cover Finance, Health & Safety and Premises. The Skylark Partnership has authorised the MAT Finance Committee to carry out the functions of an Audit Committee.

The Chair, members and clerk of the MAT Finance Committee shall be non-executive members and shall be appointed by MAT Board except for the Accounting Officer and Chief Financial Officer. The Chair of the Finance Committee shall be a non-executive member of the MAT Board and will not be the Chair of Trustees.

Trustees who are not members of the MAT Finance Committee will have the right of attendance. The clerk will circulate minutes of meetings of the MAT Finance Committee to all Trustees of the MAT Board within 2 weeks of the meeting.

The Finance Committee of the MAT Board shall meet at least termly but the Committee shall meet more often if deemed necessary. The external auditor may request a meeting if he or she considers one necessary.

Currently, the Finance Committee meets monthly.

Authority

The MAT Finance Committee is an advisory body with no executive powers. However, it is authorised by the MAT Board to investigate any activity within its terms of reference, and to seek any information it requires from staff, who are required to cooperate with the Committee in the conduct of its enquiries.

The Finance Committee is authorised to obtain independent external professional advice if it considers this necessary. Currently the committee are using the expertise of MLG Accounting Service. Other sources may include External Accountants or the External Auditors.

Duties

The specific duties of the Finance Committee shall be to:

- Review the Annual Budget of the MAT and to make recommendations to the Trust Board
- Review the Academy's internal and external financial statements and reports to ensure that they reflect best practice;
- Discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest cooperation of staff
- Consider all relevant reports by the Chief Finance Officer or the appointed external auditor, including reports on the Trusts accounts, achievement of value for money and the response to any management letters
- Review the effectiveness of the Trust's internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner
- Review any report from the Chief Finance Officer in relation to the operation of the Trust's Buildings and Grounds
- Review the recommendations of Academy Committees as to salaries particularly any discretionary awards

Finance committee responsibilities with respect to audit

The duties of the MAT Finance Committee in relation to Audit shall include:

- Responsibility for monitoring the adequacy and effectiveness of the Trust's systems of internal control (including review of the statement of internal control) and its arrangements for risk management, control and governance processes and for securing economy, efficiency and effectiveness (value for money).
- Advising the MAT Board on the appointment, re-appointment, dismissal and remuneration of the financial statements auditor and the internal audit service.
- Advising the MAT Board on the scope and objectives of the work of the internal audit service and the financial statements auditor.
- Ensuring effective coordination between the internal audit service and the financial statements auditor
- Considering and advising the MAT Board on the audit strategy and annual internal audit plans for the internal audit service.
- Advising the MAT Board on internal audit assignment reports and annual reports and on control issues included in the management letters of the financial statements auditor, and management's responses to these.
- Monitoring, within an agreed timescale, the implementation of agreed recommendations relating to internal audit assignment reports, internal audit annual reports and the financial statements auditor's management letter.
- Considering and advising the MAT Board on relevant reports by the National Audit

Office, the Education Schools Funding Agency (including those from the local provider financial assurance teams) and other funding bodies and, where appropriate, management's response to these.

- Establishing, in conjunction with Trust management, relevant annual performance measures and indicators and monitoring the effectiveness of the internal audit service and financial statements auditor through these measures and indicators and deciding, based on this review, whether a competition for price and quality of the audit service is appropriate.
- Monitoring the Trust's risk management plan and advising the MAT Board on its adequacy and effectiveness.
- Producing an annual report for the MAT Board and accounting officer which should include the Committee's advice on the effectiveness of the Trust's risk management, control and governance processes and any significant matters arising from the work of the internal audit service and the financial statements auditor.
- Monitoring and advising the MAT Board on any alleged fraud and irregularity in the Trusts financial and other control systems and ensuring that all allegations of fraud and irregularity are properly followed up.
- Being informed of all additional services undertaken by the internal audit service and the financial statements auditors.
- Recommending the annual financial statements to the MAT Board for approval.
- Monitoring the effectiveness of the Trust's whistleblowing procedures meeting privately with the Internal and External Auditors,

The MAT Board should also ensure that procedures are in place to ensure that employees of the Trust are paid for work done in accordance with their contracts of employment with the Trust.

In addition, the MAT Board must ensure the Trust has adequate insurance cover to support its activities as an employer, such as employers' liability insurance, fidelity insurance, trustee indemnity, public liability insurance and so forth. Currently the Trust subscribes to the Risk Protection Assurance scheme through the DfE.

Accounting Officer

The Funding Agreement requires each Trust to identify an Accounting Officer. The Accounting Officer is also the Chief Executive Officer of the Trust. This post confers responsibility for financial and administrative matters. This is a vital role, as the Accounting Officer is personally responsible to the MAT board for:

- ensuring regularity and propriety;
- prudent and economical administration;
- avoidance of waste and extravagance;
- efficient and effective use of available resources; and
- In association with the academy head teachers, the day to day organisation, staffing and management.

The Accounting Officer may delegate, or appoint others to assist in these responsibilities, for example to the Academy Headteacher.

Headteacher of academy

Within the framework of the academy improvement plan as approved by the Academy Local Advisory Board (ALAB), the Headteacher has overall executive responsibility for the Academy's activities including financial activities. The Headteacher retains responsibility for:

- recommending to the Academy Committee new staff appointments within the Academy
- authorising contracts up to £1,000 in conjunction with the Chief Finance Officer (contracts above £5,000 will need to be approved by the Board of Trustees).

Academy Finance Manager

The main responsibilities of the Academy Finance Manager are:

- the day to day management of financial issues including the establishment and operation of a suitable accounting system;
- the maintenance of effective systems of internal control;

Delivering Assurance

The MAT Board will monitor and check the operation of the financial controls that have been established and are operated by officers of the Trust. The Trustees will ensure financial probity at all times.

The ongoing independent oversight of the Trust's financial affairs include:

- the financial responsibilities of the Trust are being properly discharged;
- resources are being managed in an efficient, economical and effective manner;
- sound systems of internal financial control are being maintained; and
- financial considerations are fully taken into account in reaching decisions.

Delegation to Other Committees

The MAT Trust Board recognises that at times it may need to delegate duties to a Committee other than the MAT Finance Committee. This will be done in full consultation with the Committee to ensure capacity and will be reviewed at least annually.

Financial Levels of Authority

All procurement must be carried out in compliance with the principles of current EU procurement law and the current Academies Financial Handbook.

Some financial transactions are reserved for Board of Trustees approval only.

Delegated duty	Value	Delegated authority	Comments
Approval of statutory accounts	n/a	Board of trustees	Statutory accounts must be signed by the Chair of the Trust and CEO as per DfE and Companies House

			regulations
Receiving the statutory accounts	n/a	Board of members	The members receive the accounts and these are discussed at the Trust AGM.
Approval of annual budget	n/a	Board of trustees	Board of trustees to approve the annual budget. Budget to be produced by CEO & CFO in consultation with the academy headteachers.
Submission of DfE financial returns	n/a	CEO in association with MLG	DfE financial return include Annual Return, Budget forecast and specific grant monitoring forms
Approval of financial policies	n/a	Board of trustees	Board of trustees to approve financial policies to be implemented across all academies in the trust
Submission of VAT reclaims	Unlimited	CFO & CEO	Quarterly claims for all academies in the trust to be submitted by CFO in consultation with CEO
Ordering of goods and services	Over £5,000	Board of trustees	Board of trustees approval required for any orders over £5,000 for any academies in the trust. Ordering processes will follow current AFH guidance
Disposal of assets	Over £5000	Board of trustees	Board of trustee approval required for disposal of assets over £5000 for any academies in the trust.
Ordering of goods	Under £1000	Headteacher of academy	Proof of best value to be noted and orders to entered onto a purchase order request
	Between £1000 - £5000	CEO & CFO	3 quotes to be received and documented. Do not have to accept lowest quotation but must demonstrate best value
	Over £5000	Board of trustees	May decide to put out to tender

	Over £140,000	Board of trustees	May need to comply with current EU compliant tendering process
Authorising monthly salary payments	Unlimited	CEO	
BACs payments	Unlimited	CFO & CEO	
Disposal of assets	Up to £5000	Headteacher	
	Over £5000	Board of trustees	Ensure compliance with AFH on reporting disposal to the DfE