

# **The Loriners Multi Academy Trust Scheme of Delegation of Financial Powers**

<b>Date approved by Trust Board</b>	<b>September 2025</b>
<b>Date of Next Review</b>	<b>September 2026</b>

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## Statement of intent

In accordance with the DfE's 'Academy trust handbook' (Academy Trust Handbook), this document outlines the delegation of financial powers within The Loriners Multi Academy Trust and those delegated to Park Hall Infant Academy, Park Hall Junior Academy, and the relevant members of staff.

This document has been implemented to ensure the trust's funds are used sensibly and in accordance with statutory guidance. This document intends to clearly outline the responsibilities delegated by the board of trustees.

The trust is committed to providing a high standard of education and care, whilst ensuring that value for money is achieved. The internal control systems outlined in this document will be implemented at all times with the aim of ensuring that the trust acts in an effective and transparent manner.

This Scheme of Delegation of Financial Powers has been reviewed and approved by the board of trustees and will be reviewed and updated on an annual basis.

## 1. Legal framework

This policy has due regard to all relevant legislation and statutory guidance including, but not limited to, the following:

- DfE (2025) 'Academy trust handbook 2025'
- DfE (2025) 'Academy trust governance guide'
- The Companies Act 2006
- The Procurement Act 2023

This policy operates in conjunction with the following school policies:

- Anti-Corruption Policy and Code of Conduct
- Gifts and Hospitality Policy
- Tendering and Procurement Policy
- Asset Management Policy

## 2. Responsibilities of the members

In regards to the trust's accounts, the members are responsible for appointing external auditors, other than where the Companies Act 2006 permits the trustees to appoint.

In accordance with the letter of engagement, the members will vote on any proposals to remove external auditors – reasons for removing an auditor must be provided.

Members are responsible for overseeing the effective governance of the trust and trust performance, including financially.

## 3. Responsibilities of the trust board

A written Scheme of Delegation of Financial Powers will be approved by the board of trustees, ensuring that there are adequate operational and monitoring controls in place for all the financial processes within the trust. The scheme of delegation will be reviewed annually, and immediately when there has been a change in trust management or organisational structure.

The board is responsible for ensuring that the trust is operating in accordance with the law, its articles of association, its charitable objects, its funding agreement and the Academies Trust Handbook.

The proper stewardship of academy funds, including regularity and propriety, as well as ensuring that value for money is achieved in order to maximise outcomes for pupils, is the responsibility of the board.

Annual budgets will be formally approved by the board prior to the start of the new financial year.

Budgetary control reports from the finance, audit and risk committee will be discussed at least once per term.

All capital plans for the trust, as recommended by the finance, audit and risk committee, will be received and approved by the board on an annual basis.

A Declared Conflicts of Interests Register for all board members and staff with financial responsibilities will be kept and maintained by the board.

The board of trustees is responsible for the following:

### **External audit**

- Appointing a finance, audit and risk committee to advise the board on the adequacy of the trust's internal control framework, including financial and non-financial controls and risk management arrangements, to direct a programme of internal scrutiny and to consider the results and quality of external audit

- Where the Companies Act 2006 permits to do so, appointing external auditors to give an opinion on whether the annual accounts present a true and fair view of the trust's financial performance and position– and notifying the DfE when an auditor is removed or resigns
- Receiving the reports from the external auditor
- Cooperating with risk management auditors and managers and implementing reasonable recommendations where necessary
- Ensuring there is an appropriate, reasonable and timely response to the auditor's findings
- Ensuring that the external audit contact is retendered at least every five years and considers the finance, audit and risk committees fulfilment of duties outlined in the points in 4.15 of the Academies Trust Handbook
- Ensuring that employees of the trust are not audit and risk committee members, whilst enabling the accounting officer and Chief Finance Officer to attend to provide information and participate in discussions

### **Liaising with the DfE**

- Seeking the DfE's approval and meeting statutory requirements for any element of staff severance payment or compensation payment which is more than £50,000 above any contractual entitlement
- Informing the DfE if it suspects any irregularity affecting resources
- Obtaining approval from the Secretary of State via the DfE for the following transactions which are beyond the limits specified in the Academy Trust Handbook:
  - Additional funding
  - Writing off debts and losses
  - Entering into guarantees, letters of comfort and indemnities
  - Acquiring freeholds
- Cooperating with the DfE if they require financial information to help inform any audits of the trust they may undertake
- Seeking approval from the DfE for any novel, contentious or repercussive investments.
- Seeking approval from the DfE for ex-gratia transactions
- Notifying the DfE if a deficit budget is proposed
- Complying with any financial notices to improve

### **Approval, authorisations and financial oversight**

- Approving whistleblowing procedures and ensuring individuals' right to whistleblow. At least one trustee and one member of staff will be appointed for staff to report concerns to
- Scrutiny, review and oversight
- Reviewing and approving the three-year budget forecast return before the deadline for submission to the DfE, by 30 July each year
- Maintaining complete, accurate and up-to-date records of all financial arrangements
- Ensuring that all academies within the trust are following the recommended operational and internal controls provided by the board
- Keeping records pertaining to related party transactions, to highlight that all transactions have been conducted in accordance with the high standards of accountability and transparency
- Preparing and monitoring financial plans to ensure the trust remains a going concern and ensure consistency and scrutiny in budget management

- Maintaining and reviewing the trust's and its academies' Asset Register and Risk Register on an annual basis
- Reviewing financial reports prior to the submission of the audited financial statements to the Secretary of State by 31 December each year
- Including contingency and business continuity planning as part of risk management procedures
- Ensuring sound internal control, risk management and assurance processes are in place
- Ensuring the protocol and requirements for managing related party transactions are followed and applied across the trust
- Ensuring adequate insurance cover is obtained in compliance with legal obligations or that the trust is a member of the academies risk protection arrangement
- Ensuring the governance statement meets the requirements of the Academy Trust Handbook
- Ensuring annual pay awards, including executive leaders' performance management, are reviewed on an annual basis by the committee, and recommendations for approval to the board of trustees are made. The committee will make certain executive leaders will not be involved in setting or reviewing their own remuneration
- Reviewing and approving all gifts received by executive leaders in line with the academy's Gifts, Hospitality and Anti-Bribery Policy
- Ensuring the analysis of pay information to identify and explore any gender pay gaps, challenges to achieving pay equality in the trust and any successes

#### **Appointing staff**

- Appointing a finance, audit and risk committee, in line with the following requirements:
  - The finance, audit and risk committee will meet at least three times a year
  - The finance, audit and risk committee will direct the trust's programme of internal scrutiny and report to the board of trustees on the quality of the trust's financial controls and risk management procedures
  - With a clear terms of reference in place, which outlines the role of the finance, audit and risk committee, including advising on the adequacy of financial and other controls and risk management arrangements in the trust. The committee must also direct a programme of internal scrutiny and consider the results and quality of any external audit
- Appointing a senior executive leader, who will also be the trust's accounting officer

When a senior executive leader (accounting officer) is planning to leave the trust, the board will approach their Regional Director in advance to discuss their structure and options, including plans for recruitment.

The board will delegate performance management across the trust to the relevant senior leader or relevant committee via the scheme of delegation.

If an academy is served a Notice to Improve (Ntl) by the DfE, it will be published on the academy's website within 14 days of the Ntl being issued, and it will be kept on site until the DfE lift the notice.

All executive and senior leadership appointments will be approved by the board.

The chair of the board of trustees and the accounting officer are responsible for ensuring that their capacity to control and influence does not conflict with the requirements for managing connected party transactions.

The board of trustees will inform the DfE if it suspects any irregularity regarding trust funds and instances of fraud or theft exceeding £5,000 in a financial year.

## 4. Delegated powers of the accounting officer

The accounting officer also acts as an executive leader, and is therefore responsible for ensuring that these roles do not rotate so that there is no ambiguity about who is accountable for the financial management and integrity of the trust.

The accounting officer is personally responsible to Parliament, the public and to the DfE for the financial resources under the trust's control. This does not remove the responsibility of the trustees for the proper conduct and financial operation of the trust.

The accounting officer is personally responsible for assuring the board of trustees that the trust is compliant with the Academy Trust Handbook and the funding agreement.

The accounting officer is required to advise the board of trustees in writing if, at any time, in his or her opinion, any action or policy under consideration by them is incompatible with the terms of the articles, funding agreement or the Academy Trust Handbook.

The accounting officer will advise the board in writing if the board appears to be failing to act where required to do so by the terms and conditions of the Academy Trust Handbook or funding agreement.

Where the board of trustees continues to act in ways not in accordance with the specified conditions, the accounting officer will consider the reasons the board gives for its decision. If the accounting officer still considers that the action proposed by the board is in breach of the articles, the funding agreement or the Academy Trust Handbook, the accounting officer is responsible for notifying the DfE's accounting officer immediately and in writing.

Each year, the accounting officer is required to complete and sign a statement on regularity, propriety and compliance, which is submitted to the DfE along with the audited accounts.

Each year, the accounting officer is required to share the annual 'Dear Accounting Officer' letter from the DfE with the trust's members, trustees, chief financial officer and other members of the senior leadership team. They must also arrange for it to be discussed by the board of trustees and take action where appropriate to strengthen the trust's financial system and controls.

It is the responsibility of the accounting officer to demonstrate how value for money has been achieved.

## 5. Delegated powers of the finance, audit and risk committee

The finance, audit and risk committee exercises the powers and duties delegated to the board of trustees in relation to the financial administration of the academy.

The finance, audit and risk committee will meet as regularly as necessary, but at least once a term.

Information regarding the financial performance of the trust will be reviewed by the committee at least three times a year, taking necessary action to ensure ongoing viability.

The committee is responsible for reviewing the academy's financial statements and highlighting any significant issues to the board of trustees, prior to submission to the Secretary of State.

At each meeting of the board of trustees the finance, audit and risk committee will report on decisions taken under their delegated powers.

The finance, audit and risk committee is responsible for reviewing the reports of the Chief Finance Officer regarding the effectiveness of the academy's financial procedures and controls, reporting any findings to the board of trustees.

The annual budget will initially be reviewed by the finance, audit and risk committee prior to the start of the financial year and its acceptance, or otherwise, will be given to the board of trustees.

The committee will report all significant financial matters and any potential overspending to the board of trustees.

The academy's five-year capital plan will be reviewed on an annual basis.

The finance, audit and risk committee is responsible for ensuring that appropriate insurance arrangements are in place for the academy.

The purchase of goods and services, in line with the agreed authorisation levels outlined in [Appendix A](#), will be authorised by the finance, audit and risk committee and reported to the trust board.

Expenditure on goods and services between £30,000 and £100,000 in value will be authorised by the finance, audit and risk committee.

The finance, audit and risk committee will direct the authorisation for goods and services, as necessary, in line with [Appendix A](#).

The finance, audit and risk committee will provide advice to the board regarding the maintenance of a risk register.

## 6. Delegated powers of the executive headteacher

The day-to-day financial management of the academy and its staff is the responsibility of the executive headteacher, ensuring that the arrangements for the collection of income, purchasing of goods and services, payments and academy assets are in accordance with statutory regulations.

Management accounts will be reviewed by the executive headteacher, with potential overspending highlighted to the finance, audit and risk committee and board of trustees.

The executive headteacher is responsible for preparing a five-year capital plan for recommendation to the board of trustees, in collaboration with the Chief Finance Officer.

The executive headteacher will ensure that all conflicts of interest concerning staff members with financial responsibility are declared and accurately recorded.

The executive headteacher is responsible for ensuring that all academy bank account spending is in accordance with the specified authorisation levels.

Tenders can be opened by the executive headteacher when in the presence of another authorised person.

In liaison with the Chief Finance Officer, the executive headteacher certifies the payment of salaries each month.

Annual pay awards, including those in relation to non-teaching staff, will be reviewed on an annual basis by the executive headteacher and recommendations for approval to the board of trustees will be made.

The executive headteacher is responsible for ensuring that full, accurate and up-to-date records are maintained in relation to the academy's finances, and that these are available for audit by the external auditor.

In conjunction with the Chief Finance Officer and other authorised signatories, the executive headteacher is responsible for signing cheques on behalf of the academy.

In liaison with the Chief Finance Officer, the executive headteacher will ensure that all staff members with access to the academy's online banking have the appropriate level of authority and that the correct procedures are followed.

## 7. Delegated powers of the Chief Finance Officer

The Chief Finance Officer is responsible for the management of the trust's financial position at a strategic and operational level within the framework of financial control, as determined by the board of trustees, maintaining effective systems of internal control within the trust.

The Chief Finance Officer is responsible for ensuring the efficient and effective day-to-day management of the academy's finances, liaising with the finance, audit and risk committee and board of trustees as appropriate.

The Chief Finance Officer is responsible for ensuring there are appropriate division of duties between staff responsible for processing orders, receiving deliveries and processing payments.

The Chief Finance Officer is responsible for ensuring that required information and documentation is submitted to the DfE in line with the specified deadlines.

The Chief Finance Officer is responsible for ensuring that all income is accurately accounted for and is promptly collected and banked.

The Chief Finance Officer is responsible, in collaboration with the executive headteacher, for preparing and presenting an annual budget to the finance, audit and risk committee prior to the start of the year.

The Chief Finance Officer, in collaboration with the Executive Head Teacher, is responsible for ensuring that a three-year strategic plan is planned, prepared, reviewed and updated in line with the academy's SDP.

In liaison with the executive headteacher, the Chief Finance Officer certifies the payment of salaries each month.

The CFO is responsible for notifying the finance team of any matters affecting payments to employees.

Management accounts are shared with the chair of trustees on a monthly basis and with other trustees on a bimonthly basis.

The Chief Finance Officer is responsible for maintaining the trust's asset and risk registers.

In conjunction with the executive headteacher and other authorised signatories, the Chief Finance Officer is responsible for signing cheques on behalf of the trust.

The Chief Finance Officer, is responsible for ensuring that the academy bank account does not become overdrawn.

The Chief Finance Officer is responsible for maintaining a record of all contracts entered into by the trust, including details of payments, quotes obtained and invoices received.

Where appropriate, the Chief Finance Officer will advise the executive headteacher and the audit and risk committee on purchasing decisions.

## 8. Delegated powers of other school staff

Designated staff members will be delegated financial responsibility in order to support the executive headteacher with the maintenance of the financial controls and procedures in operation at the academy.

Staff members with financial responsibility are aware of the financial regulations which they must act in accordance with.

The following members of staff are authorised to receive and check goods on behalf of the academy:

- Finance and Admin Team
- Budget holders
- Education support staff nominated by the budget holder

Appointed budget holders are responsible for checking and certifying monthly statements of expenditure against the delegated budget, reporting any potential overspending to the Chief Finance Officer.

Staff members will notify the Chief Finance Officer of any eventuality that could affect the academy's insurance arrangements, such as a school trip.

All staff members with financial accountability are responsible for maintaining accurate and up-to-date records regarding their actions in relation to the academy's finances.

## 9. General financial management

Where the trust's transactions go beyond the specified delegated authority limits, prior approval from the DfE will be sought, regardless of the source of funds.

The trust will seek the DfE's prior approval for borrowing from any source where such borrowing is to be repaid from grant monies or secured on assets funded by grant monies.

Before the transaction takes place, the trust will use the DfE's contact form to request DfE approval for any transactions beyond the delegation limits.

All trust funds, including those involving credit cards and online banking, will only be used for business expenditure and all balances will be cleared before interest accrues.

All members of the board of trustees who hold delegated powers are responsible for ensuring that:

- There is probity in the use of public funds.
- Spending decisions represent value for money.
- Internal delegation levels are applied within the trust at all times.
- A competitive tendering policy is implemented.
- The Procurement Act 2023 thresholds are observed.
- Relevant professional advice is obtained, where appropriate.

The trust will disclose aggregate figures for all transactions of any amount, and separate disclosure for individual transactions above £5,000, in their audited accounts for the transactions outlined in the Academy Trust Handbook.

Relevant financial procedures implemented within the trust are outlined in the following academy policies:

- Anti-Corruption Policy and Code of Conduct
- Gifts and Hospitality Policy
- Tendering and Procurement Policy
- Asset Management Policy

All special payments that exceed statutory and contractual obligations will be disclosed in total and individually.

The trust recognises that special payments include the following:

- Staff severance payments
- Compensation payments
- Ex gratia payments

All ex-gratia payments will be referred to the DfE for prior authorisation.

The academy trust has delegated authority to approve individual compensation payments, provided that any non-contractual element is under £50,000. Where the payment is above this amount, the DfE's prior approval will be obtained.

All members, trustees, local governors, employees and accounting officers with financial responsibility are required to record the details of any relevant business and pecuniary interests – relevant material interests arising from family relationships must also be details. This register will be published in a readily accessible format on the trust's website: [link to the trust's website](#).

All members, trustees, local governors, employees and their relations, and organisations are responsible for ensuring that their connections to the trust are not used for personal financial gain.

Prior approval of the DfE will be sought for all transactions with connected parties that are perceived as novel, contentious or repercussive.

Prior approval of the DfE will be sought for the following transactions beyond the delegated limits:

- Writing-off debts and losses
- Entering into guarantees or letters of comfort
- Entering into indemnities which are not in the normal course of business.

The trust will always pursue recovery of amounts owed to it, overpayments and payments made in error, irrespective of how they came to be made.

No payments will be made to trustees unless such payments are permitted by the trust's articles of association or by express authority from the Charity Commission and the payments comply with the terms of any agreements entered into with the Secretary of State.

In accordance with the specified authorisation levels in [Appendix A](#), prior approval will be obtained for purchases and payments as necessary, including from external parties such as the DfE and Charity Commission.

All agreements between the trust and an individual or organisation will be on the basis of an open book agreement, including a requirement for the supplier to demonstrate, if requested, that their charges do not exceed the cost of supply.

All agreements between the trust and an individual or organisation will be supported by a statement of assurance from the individual or organisation confirming that their charges do not exceed the cost of the goods or services supplied.

The DfE's '[Get Information About Schools](#)' (GIAS) will be kept up-to-date and the DfE will be notified about any changes relating to governance information.

## 10. Monitoring and review

This document will be reviewed annually by the board of trustees, and at the next available board meeting when there has been a change in trust management or organisational structure that would impact this scheme of delegation.

Any changes to this policy will be communicated to members of staff by the executive headteacher.

The scheduled review date for this policy is September 2026.

## Authorisation levels

Duty	Value	Delegated authority	Method	Review period
Virements of budget provision between budget headings	Up to £10,000	Executive Headteacher		As required
	£10,001 to £30,000	Executive Headteacher with approval from the finance, audit and risk committee		
	Over £30,000	Finance, audit and risk committee	Report to the board of trustees.	
Ordering goods and services within the agreed budget	Up to £5,000	Head of School	Selection from preferred supplier list, unless otherwise agreed with the Chief Finance Officer.	Monthly
	£5,001 to £10,000	Head of School with the approval of the executive headteacher	Minimum of three quotes required and report to executive headteacher.	
	£10,001 to £30,000	Executive headteacher reporting to the finance, audit and risk committee	Minimum of three quotes required and report to finance, audit and risk committee.	
	£30,001 to £100,000	Finance, audit and risk committee – reporting to the board of trustees.	Formal tendering process, including advertising in the OJEU where necessary.	
	Over £100,000	Board of trustees		
Signatories for cheques, BACS payment authorisations, bank transfers, DfE grant claims and DfE returns	Any	Executive headteacher, Chief Finance Officer and Heads of School	Two signatories per transaction are required.	Weekly
Authorising invoices	Up to £5,000	Head of School		As required
	£5,001 to £10,000	Head of School with the approval of the executive headteacher		
	£10,001 to £30,000	Executive headteacher reporting		

Duty	Value	Delegated authority	Method	Review period
		to the finance, audit and risk committee		
	£30,001 to £100,000	Finance, audit and risk committee – reporting to the board of trustees.		
	Over £100,000	Board of trustees		
Collecting income	Up to £5,000	Chief Finance Officer		
	£5,001 to £10,000	Executive Headteacher		
	£10,001 to £100,000	Finance, Audit and risk committee		
	Over £100,000	Board of trustees		
Unbudgeted expenditure	Up to £5,000	Chief Finance Officer	Reported to the audit and risk committee.	As required
	£5,001 to £10,000	Executive Headteacher		
	£10,001 to £30,000	Audit and risk committee		
	Over £30,000, but within the trust's reserves	Board of trustees		
Banking cash and cheques	Any	Chief Finance Officer	Cash and cheques kept on the school property will not accumulate above £1,000. Banking will be checked and agreed by another member of staff.	As required
Disposal of assets	Up to £1,000	Executive Headteacher	Original cost, maintaining the principles of regularity, propriety and value for money.	As required
	£1,001 to £10,000	Finance, Audit and risk committee		
	Over £10,000	Board of trustees		
	Land, buildings and heritage assets	Board of trustees plus prior written approval of the DfE		

Duty	Value	Delegated authority	Method	Review period
Acquiring of assets	Freehold of land or buildings	Board of trustees plus prior written approval of the DfE		
Writing-off debts	Up to £1,000	Executive headteacher, reporting to the finance, audit and risk committee	Anything above these limits requires approval by the Secretary of State through the DfE.	Annually
	£1,001 to £10,000	Finance, audit and risk committee		
	Below 1% of total annual income or £45,000 (whichever is smaller) per single transaction subject to a maximum of £250,000	Board of trustees and the DfE where applicable		
Special payments, including staff severance and compensation payments	Up to £49,999	Board of trustees		As required
	£50,000 and above	Board of trustees plus DfE approval before an offer is made to the employee		
Ex-gratia payments	Any	DfE prior approval required		As required
Novel or contentious payments	Any	Board of trustees plus prior DfE approval		
Corporate bank card	Up to £2,000	Chief Finance Officer, executive headteacher and designated budget holders	Charge cards will be kept in a safe and secure location when not in use. Orders require checking by another delegated authority.	Monthly
Leasehold or tenancy agreement exceeding seven years	Any	Board of trustees plus prior DfE approval		As required
Borrowing	Any	DfE approval required		As required