

HUET Financial Scheme of Delegation

Key principles

- The HUET has direct legal responsibility to the DfE. Therefore this scheme of delegation is written to exercise a tight rein over sponsored academies, slightly less support for supported academies and a light touch approach for supporting academies.
- Wherever possible but subject to any risks the HUET shall delegate powers to the LGB of the academy.
- Each LGB is responsible to the HUET Board for the financial viability of their school.
- All schools should where possible submit a balanced budget (pre capital and excluding any one off use of reserves). If a school is unable to do this they must have a clear plan of action to rectify.
- Reserves should be used for short term one off expenditure/issues and not recurring costs e.g. permanent recruitment of staff.
- Reserves on conversion remain with each school for educating students in that school.
- Any expenditure over and above the approved budget must be escalated to the CFO for approval at the HUET Board.
- Expenditure rules must not be circumnavigated deliberately e.g. splitting invoices / contracts to avoid individual limits.
- Adherence to these limits is the responsibility of each LGB and failure to do may lead to the removal of delegated authority by the HUET Board.
- All expenditure must be made in line with the HUET Finance Policy and ESFA Academies Financial Handbook ensuring value for money at all times.
- Actively seek out opportunities to work collaboratively and unlock opportunities to secure efficiencies across the HUET where there are efficiencies to be made and good practice to be shared.

Key:



Academy – supporting



Academy – supported



Academy – sponsored

A

Advised by

Criteria

Ofsted – outstanding / good

Good / requires improvement

requires improvement / special measures

Finance - no significant weaknesses

Significant weaknesses

Serious weaknesses

Outcomes - no significant underperformance

Significant underperformance

Serious underperformance














































Other – no significant concerns

Significant concerns

Serious concerns





Brokered - Regional Schools Commissioner

		Delegation			
Area	Decision	Trust Board	Trust Resources / Finance Committee (TRC) and Audit Committee (AC)	LGB	Headteacher
Oversight	Oversee Financial Performance of Trust		A	A	A
	Ensure assets used in accordance with Articles, Funding Agreement and AFH		A	A	A
	To maintain proper financial records for Academies		A	A	
	Secure financial probity and value for money		A	A	A
	Maintain Register of Business Interests		A		A
	Approve the following finance polices: Finance Policy, Charging and Remissions Policy , Conflict of Interests Policy and Reserves Policy		A	A	A
	Monitor compliance with approved finance policies and procedures		A		A
	Monitor Financial Performance of the Trust and hold CFO to account			A	A
	Monitor financial performance of the Academy				A
	Monitor use of Pupil Premium and other dedicated funds				A
Submission of Budget to ESFA – 31 st July		A	A	A	
Budget	Approval of HUET budget and 3 Year Business Plan		A	A	A
	Detailed consideration HUET Budget and 3 Year Business Plan recommend approval to HUET Board (TRC)			A	A
	Approval of Academy budget to go to HUET Board			A	A

		Delegation			
Area	Decision	Trust Board	Trust Resources Committee (TRC) and Audit Committee (AC)	LGB	Headteacher
	Preparation of Academy Budget for approval		 	A	 AA
	Monitoring expenditure in line with budget		 		
	Management of expenditure within budget		 		A
Annual Accounts	Submission of HUET Accounts to EFA, Companies House, Website	  			
	Submission of HUET AAR	  			A
	Appointment of Auditors (AC)	  	A		
	Approve and submit annual reports and accounts including accounting policies, signed statement on regularity, propriety and compliance, incorporating Governance Statement demonstrating value for money; submit	  			
	Receive and respond to external auditors report and accounts (AC)	  	A		
	Management of Year End Audit	  	A	A	A
Reporting	Academy budgets and business plans: develop and proposed		 	A	 A
	Benchmarking and value for money - Trust	  	A		
	Benchmarking and value for money - Academy		 	A	 A
	Monthly Management Accounts - Trust	  	A		
	Monthly Management Accounts - Academy		 	A	 A
	Management of Trust Cashflow	  	A	A	A

		Delegation			
Area	Decision	Trust Board	Trust Resources Committee (TRC) and Audit Committee (AC)	LGB	Headteacher
Top Slice	Financial Scheme of Delegation and central spend Top slice; agree		A	A	A
	Scope of Central Services to be supplied by HUET in return for Top Slice; determine		A	A	A
	Use of Academy Reserves for same academy expenditure – one off – included in budget or if reserves maintained at minimum of 5% of income		A		A
Reserves	Use of Academy Reserves for same Academy expenditure – one off – not included in budget if reserves to fall below 5%		A	A	A
	Loan of funds to another academy and re-payment schedule		A	A	A
	Set reserves policy including minimum reserves for HUET		A	A	A
	Orders within budget up to £5,000 primary schools and £50,000 secondary or £100,000 HUET				
	Orders between £5,000 and £50,000 primary schools , £50,000 and £100,000 secondary				
Expenditure	Orders within budget over £50,000 primary and £100,000 secondary and HUET		A	A	A
	Appointment of Staff included in budget (exc HT)		A		A
	Pay awards included in budget (excluding HT)		A		A
	Appointment of Staff / pay awards not included in budget		A	A	A
	Increase in Academy FTE outside of budget		A	A	A

		Delegation			
Area	Decision	Trust Board	Trust Resources Committee (TRC) and Audit Committee (AC)	LGB	Headteacher
Other	Lease approval		A	A	A
	Ensure adequate insurance for trust		A	A	A
	Payments to all trust suppliers and employees		A	A	A
	Bank reconciliations		A	A	A
	Balance sheet reconciliations		A	A	A
	Petty cash limit		A	A	A
	Loan agreements		A	A	A
	To authorised acquisition/disposal of assets and approve change in use.		A	A	A
	Capital bids		A	A	A
	Write off of debts up to £250		A		A
	Write off of debts over £250		A	A	A
	Approving the mandates for the operation of academy bank accounts and credit cards.				
	Approving severance and compensation payments over £10,000 but less than £50,000				
	Purchasing up to £1000 – budget holder may get 1 quote if VFM previously proven				A

		Delegation			
Area	Decision	Trust Board	Trust Resources Committee (TRC) and Audit Committee (AC)	LGB	Headteacher
Value for money	Purchasing over £2,500 - 3 quotes		A		A
	Purchasing more than £10,000 less than EU threshold – 3 written quotes based on written specification		A		
	Above EU threshold – 4 tenders invited with advert in OJ EE		A	A	A