

Authorisation and Monetary Limits

These limits are taken from the financial regulations that were approved by the full Governing Body on:(Enter Date)

Authorisation Limits

Expenditure Limits

Site Manager (emergency minor building repairs)	Up to £500
Business Manager	Up to £15,000
Headteacher	Up to £25,000
Chair of Resources committee	From £25,001 to £50,000
Nominated named governor	From £25,001 to £50,000
Chair of Governors	Over £50,000

Orders on the Business Manager's Budget will be authorised by another member of the Senior Leadership Team.

Payment Signatories

Two signatories	Up to £25,000
Chair of Governors (or Chair of Resources/nominated named governor (plus one other))	Over £25,000

Virement Limits

Headteacher or Business Manager	Up to £10,000
Chair of Resources committee	Up to £10,000
Resources committee	From £10,001 to £35,000
	Over £35,000

Writing off bad debts

Finance Manager	Up to £25
Headteacher or Business Manager	From £26 to £1,000
Resources Committee	From £26 to £1,000
Full Governing Body	From £1,001 to £5,000
	Over £5,000

Disposal of Surplus Stock, Stores & Assets (estimated value)

Headteacher	Up to £5,000
Full Governing Body plus EFA	over £5,000

Other Monetary Limits

Mileage Allowance	40p per mile
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Petty Cash	£500
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Safe Cash/ Cheque limits (as per our insurance policy)	£5,000 – cash
	£5,000 – cheques (recorded at point of receipt)
	£500 monetary instruments i.e. stamps, vouchers

Ordering Procedures

3 Competitive quotations (written evidence required)	£5,000 - £50,000
Tendering procedure	Over £50,000
Tendering procedure + OJEU	€200,000+ (Euros) for supplies and services

Tendering procedure + OJEU

€5,000,000+ (Euros) for works

Asset Register

Capitalisation limit

Over £5,000

1. GENERAL

- 1.1 In accordance with the Academies Financial Handbook and Education Funding Agency (EFA) updates, the Governors of Shenfield High School hereby recognise the need to lay down formally a policy for the overall management of the Academy budget and the day-to-day management of the Academy's financial affairs.
- 1.2 The purpose of this manual is to ensure that the academy maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Education Funding Agency (EFA).
- 1.3 The academy must comply with the principles of financial control outlined in the academies guidance published by the EFA. This manual expands on that and provides detailed information on the academy's accounting procedures and systems. This manual should be read by all staff and governors involved with financial procedures and it should be readily available.
- 1.4 The general conditions that follow are subject to annual review and consideration by the Full Governing Body, whom must formally minute both the review and any subsequent amendments and approval each year
- 1.5 The Governing Body confirms that failure to observe these conditions is considered a serious matter and might involve disciplinary procedures being taken against the individual concerned.
- 1.6 The Governing Body confirms that day-to-day financial management of the Academy is delegated to the Headteacher, subject to exceptions contained in these regulations.
- 1.7 Throughout these conditions, delegation to the Headteacher shall imply further delegation to the Deputy Headteacher when the Headteacher is not on the Academy site. Where the Headteacher wishes to permanently delegate certain financial matters or activities, then the level of that delegation shall be notified in writing to the individual(s) concerned, reported to the Governing Body in writing and incorporated in these conditions.
- 1.8 Whilst the main financial responsibilities are listed for the Governing Body and Resources Committee, their terms of reference are not included in this document. Similarly, all the financial duties of academy staff are not listed but may be found in their job descriptions.

2. DAY-TO-DAY DELEGATION OF AUTHORITY

2.1 Expenditure Limits

- 2.12 The Business Manager is able to authorise expenditure for day-to-day items and services up to £15,000 on any one item (excluding utility charges and annual contracts where the approximate cost has clearly been documented and approved in the annual budget) as long as an adequate budget provision exists.

2.13 A sequence of orders all within the above limit to cover a larger order or orders is not permitted.

Authorisations between £15,001 and £25,000 are to be referred to the Headteacher, between £25,001 and £50,000 to the Chair of Resources Committee or the nominated named governor, who have full authorisation to approve all such expenditure, and over £50,000 to the Chair of Governors who has full authorisation to approve all such expenditure on behalf of the Full Governing Body. For small emergency repairs, the Site Manager is able to authorise minor building repairs, where they are of an emergency nature, up to a value of £500 on any one repair.

2.14 Budget holders cannot commit the School to any lease, contract hire, or any other financial commitments where the cost of the contracts/lease lifetime exceeds the authorisation limits on page 4. All agreements beyond these authorisation limits should be discussed and approved at the Resources Committee.

2.2 Staff Appointments

2.21 The Headteacher has authority to appoint staff within the authorised establishment except for Deputy Headteachers and the Business Manager whose appointments must follow consultation with the governors. The HR Manager maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to the Business Manager immediately.

2.22 All relevant forms and paperwork with regard to the appointment of, or amendment to contracts, of staff should be sourced from the academy's HR Manager.

2.23 All personnel pre-employment checks should be completed and relevant clearances obtained for all staff before they start their employment and renewed as per the academy's personnel policies.

2.3 Virement (Budget Transfer) Limits

2.31 The Headteacher or Business Manager is able to authorise virements between individual cost centres up to a limit of £10,000. Virements over this amount are to be referred to the Chair of the Resources Committee, who has authorisation to approve virements up to a limit of £35,000. Authorisations over £35,000 are to be referred to the Resources Committee.

2.32 All virements, including increases to income, are to be formally recorded. All virements over £5,000 must be reported to the Resources Committee at the next meeting.

2.4 Bad Debts

The Finance Manager can authorise minor write offs up to a value of £25. The Headteacher or Business Manager may authorise writing off bad debts up to a value of £1,000. Requests for write offs above this amount are to be referred to the Resources Committee. However, all bad debts written off by the Business Manager or Headteacher will be reported to the Resources Committee at the next meeting. Write offs exceeding £5,000 will require full Governing Body approval.

2.41 For any write offs above the value in the annual funding letter, authorisation will be required from the Education Funding Agency (EFA).

2.42 A sequence of smaller write offs within the above limits to cover a larger write off, is not permitted.

2.5 Disposal of Surplus Stocks, Stores and Assets

2.51 The Headteacher can dispose of surplus stocks, stores and assets to the value of £20,000 without prior authorisation from the Governing Body. All disposals to this value must be reported to the Resources Committee at the next possible meeting. Authority for disposals above this amount can only be given in accordance with the specified limits.

2.52 All disposals must be formally recorded in the minutes and in addition, where the amount exceeds £20,000 a separate report will be issued to the full Governing Body for their approval.

2.53 Amounts above £20,000 if they are a capital asset must be approved by the Education Funding Agency.

2.54 Disposal of freehold of land or buildings must be pre-approved by the EFA.

2.6 Receiving of Goods / Acknowledgment of Service

Receiving of goods and signing of delivery notes will not in normal circumstances be undertaken by the person authorising payment.