

# GDST Academy Trust

## Detailed Financial Delegation Limits

### 1. Introduction

This appendix sets out the delegated limits for routine spending decisions and financial administration of the Academy Trust and is applicable to each Academy in the Trust.

### 2. Contracts and Leases – Property and Equipment

The lease agreements between the GDST and the GDST Academy Trust sets out the restrictions which apply to the underletting of properties.

The Academy is prohibited from entering into finance leases without the prior approval of the ESFA.

The Academy Principal is authorised to enter into operational leases for items of furniture and equipment up to a total contract/lease value of £25,000. Contract/lease values above £25,001 are authorised by the ATB.

### 3. GDST Provision

The IT provision (infrastructure, services and support) is provided by GDST under an annual service contract subject to the “at-cost” principal being met, as required by the Academy Trust Handbook. The contract must be authorised by the ATB and in accordance with the Procurement Policy and the Conflicts of Interest policy.

Payroll and Internal Audit services are also provided by GDST on the same basis as the above.

### 4. General Purchasing Limits

With the exception of those items referred to at points 2. and 3. above, the following authority limits will apply for the placement of purchase orders/entering into contractual obligations for the provision of goods and services to the Academy:-

Up to £1,500	Authorised by budget holder (subject to first checking with Finance Office that sufficient budget allocation remains)
£1,501 - £15,000	Authorised by Academy Finance Director/DFO
£15,001 - £25,000	Authorised by Academy Principal (For contract between £5k-£25k, 3 written quotes must be obtained [e mail will suffice])

£25,001 - £50,000      Authorised by the Academy LGB

Over £50,001              Authorised by the ATB

Orders in excess of £25,000 are subject to formal tender procedures. These limits are exclusive of VAT.

Where a contract exceeds the UK Public Procurement Limit (currently £214,904 for goods and services and £5,372,609 for works) the formal process prescribed by the Procurement Regulations 2023 may be required.

Full details concerning the above procedures can be found in the Academy Trust's Procurement Policy.

## 5.      **Payment of Accounts**

The following are authorised to sign cheques for the main Academy account

### Cheque Amount

Up to £15,000	Two signatures required from any of the following: ATB Member, Academy Principal, Academy Vice Principal, Finance Director/DFO, Finance Manager or Chair of Academy LGB
£15,001 to £25,000	Two signatures required from any of the following: ATB Member, Academy Principal, Academy Vice Principal, Finance Director/DFO or Chair of Academy LGB
£25,000 plus	Two signatures required from the following: ATB Member, Academy Principal, Academy Vice Principal, Finance Director/DFO or Finance Manager <b>One signature must be an ATB member</b>

On no account must

- blank cheques be signed by a cheque signatory
- two or more cheques be drawn for an amount exceeding the approved cheque limit

## **BACS Payments**

Individual supplier BACS payments are subject to the same authorisation limits as cheque payments with the exception of:

- the monthly payroll payment to the GDST which may be signed by the Academy Principal or Finance Director/DFO (approx. £425k per month)
- Intercompany transactions (those between academies require the signature of both Principals)

The BACS listing should be signed by the appropriate signatories before the payment is transmitted. The Finance Director/DFO should check a selection of suppliers' bank details to source documentation. Any payments above £15k must be checked to source documentation.

Instalment payments >£25k for high value projects that have already received ATB approval may be authorised by the GDST CEO.

The Finance Director/DFO and Finance Manager are authorised to hold security cards/pin numbers for the actual processing of payments.

## **6. Petty Cash**

The Academy may maintain a petty cash balance up to the value of £500. The cash is administered by the Finance Office.

Each individual transaction must not normally exceed £30 unless previous approval is received in writing from the Finance Director/DFO.

## **7. Academy Credit Cards**

The Academy may hold a company credit card in the name of the Academy Principal and/or the Finance Director/DFO/Manager. The monthly statement together with all supporting vouchers/invoices should be retained for inspection. The Finance Officer is responsible for allocating credit card expenditure to the appropriate budget codes each month.

## **8. Assets/Stock**

The threshold for the capitalisation of fixed assets is £3,000.

Any items with a cost of over £3,000 that are lost or damaged should be reported to the Finance Committee.

Items which are to be disposed of by sale or scrap must be authorised for disposal by the Finance Director/DFO and where significant, should be sold following competitive tender.

Disposals of assets must comply with the process in the Academy Trust Handbook (Section 5.23 and 5.24).