

# *The Oak Partnership*

## *Financial Scheme of Delegation*

### **Mutual Accountability**

The Oak Partnership operates on the basis of mutual accountability. This means that each individual Academy needs to be responsible to its fellow Academies within the Trust. The Board retains ultimate accountability and responsibility, but within this, each Academy recognises its mutual responsibility to ensure financial responsibility and regularity within the Trust. All Academies and the Trust Central Function and the Trust Board are therefore mutually accountable to each other.

### **Procurement and Strategic Support**

The Oak Partnership's procurement framework will ensure economy, efficiency and value for money, which will be compliant with the public procurement framework. The Oak Partnership's Competitive Tendering Policy can be found within the Trust Finance Manual.

#### The Four Levels of Procurement

##### 1. Centrally Provided Services

A range of services are provided centrally to all Academy Schools within The Oak partnership, ensuring consistency and quality across the MAT. These services are paid for by a percentage contribution from all Academy Schools.

##### 2. Centrally Procured Services

Other services are procured centrally but offered on an optional basis. The MAT's buying power may create efficiencies that individual Academy Schools can take advantage of, or may opt to continue to use their own preferred supplier.

##### 3. Group Level Procured Services

Some services may be used more heavily in one geographical area or by a particular school phase but less by another. Where Academy Schools in an area or phase wish to procure a product or service to achieve consistency, efficiency or economy of scale the Executive Team will assist with the process of procurement and any local level Service Level Agreement.

#### 4. Individual Academy School Procurement

All other decisions regarding purchase of services and products are made at an individual Academy School level based on financial controls and procurement policies and practices set out in this Scheme of Delegation and in operation within The Oak Partnership.

<i>Central Services</i>				
Financial systems, procedures, advice/support and internal control reviews	HR payroll systems, policies, advice and support	Core MIS system and support	Core school improvement, MAT and external reviews, Governance, CPD	Central office/Executive statutory requirements, estate management and legal support for central function
<i>Centrally Procured Services</i>				
Curriculum Support	IT advice and support, enhanced MIS, connectivity services	Procurement, catering, business management, bookkeeping and monthly reporting, Health and Safety	General services for parents and pupils	
<i>Group Level Procured Services</i>				
Grounds, site management, back office function		Specialist staff e.g. family support, behaviour therapy, subject specialism		
<i>Individual Academy School Procurement</i>				
Wider curriculum support	Additional CPD	Bespoke service for families, parents and pupils	Equipment and resources, including IT	

Table A

## Financial Delegated Authority

<i>Delegated Duty</i>	<i>Value</i>	<i>Delegation</i>	<i>Procurement Requirements</i>
<b>In budget</b> ordering goods and services, raising requisitions and asset purchases	Up to £500	Academy Head, Deputy Head and Assistant Head	Ensure probity
	Up to £5,000	Academy Head, Deputy Head and Assistant Head, Chief Finance Officer	Ensure probity and best effort to secure value for money
	Up to £10,000	Academy Head	Ensure probity and best effort to secure value for money and 3 written quotes
	Up to £30,000	CEO	Ensure probity and best effort to secure value for money and 3 written quotes
	Up to £50,000	Finance and Audit Committee	Ensure probity and best effort to secure value for money and 3 written quotes
	Over £50,000	MAT Board of Directors	Ensure probity and best effort to secure value for money and minimum of 3 written quotes
<b>Unbudgeted</b> , but with offset, ordering goods and services, raising requisitions and asset purchases	Up to £100	Academy Head, Deputy Head and Assistant Head	Ensure probity
	Up to £2,500	Academy Head, Deputy Head and Assistant Head, Chief Finance Officer	Ensure probity and best effort to secure value for money
	Up to £5,000	Academy Head	Ensure probity and best effort to secure value for money and 3 written quotes
	Up to £15,000	CEO	Ensure probity and best effort to secure value for money and 3 written quotes
	Up to £25,000	Finance and Audit Committee	Ensure probity and best effort to secure value for money and 3 written quotes
	Over £25,000	MAT Board of Directors	Ensure probity and best effort to secure value for money and 3 written quotes
<b>Unbudgeted</b> , ordering goods and services, raising requisitions and asset purchases	Up to £5,000	CEO	Ensure probity and best effort to secure value for money
	Up to £10,000	Finance and Audit Committee	Ensure probity and best effort to secure value for money and 3 written quotes
Award of contracts	Up to £5,000	Academy Head	Minimum of three quotes

	Up to £20,000	CEO	Minimum of three quotes
	Up to £30,000	Finance and Audit Committee	Minimum of three quotes
	Over £30,000	MAT Board of Directors	Minimum of three quotes
Signatories of cheques, BACS payments and bank transfers	Any	Two signatories	On production of an invoice or receipt and relevant
Virements	Up to £1000	Academy Head	Reported to CFO
	Up to £5000	Chief Finance Officer	Reported to CEO
	Up to £15000	CEO	Reported to F&A Committee
	Up to £25000	Finance and Audit Committee	Reported to Directors
	Over £25000	MAT Directors	Included in annual report to Members
Disposal of Assets	Up to £2,000	Academy Head	On a production of a report from finance
	Up to £5,000	Academy School Local Governing Committee	On a production of a report from finance
	Up to £10,000	CEO	On a production of a report from finance (Academy School and Central)
	Up to £20,000	Finance and Audit Committee	On a production of a report from finance (Academy School and Central)
	Over £20,000	MAT Board of Directors	On a production of a report from finance (Academy School and Central)
Borrowing	All	MAT Board of Directors	On a production of a report from CEO and finance (Academy School and Central)
Non Property Leases	Up to £10,000	CEO	On a production of a report from finance (Academy School and Central)
	Up to £20,000	Finance and Audit Committee	On a production of a report from CEO and finance (Academy School and Central)
	Over £20,000	MAT Board of Directors	On a production of a report from CEO and finance (Academy School and Central)
Purchase of Property	All	MAT Board of Directors	On a production of a report from CEO, central finance and solicitors
Leasehold or Tenancy Agreement	All	MAT Board of Directors	On a production of a report from CEO, central finance and solicitors
Staff severance payment	Up to £10,000	CEO	On the production of a report and the relevant paperwork from Academy finance, Academy Head and, if relevant solicitors
	Up to £20,000	Finance and Audit Committee	On the production of a report and the relevant paperwork from Academy finance, Academy Head and, if relevant solicitors

	Over £20,000	MAT Board of Directors	On the production of a report and the relevant paperwork from Academy finance, Academy Head and, if relevant solicitors
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The work of The Oak Partnership is financed by a central fund contribution from the academies, with the level of contribution determined based on the resources required above and beyond administration and management costs. The contribution will not exceed 5% of school budget shares. The range of functions provided by the central function is detailed in Table A above.

### **Accountability**

The Chief Finance Officer is held to account by The Accounting Officer (CEO) and The Oak Partnership Board of Directors through the challenge and scrutiny of the Finance and Audit Committee.

### **Finance and Audit Committee**

The Finance and Audit Committee is comprised of a sub group of Directors (including CEO and CFO as invited guests). The committee ensures robust internal scrutiny, effective financial controls and compliance with all relevant legislation and guidance (including the proper use of public funds). By reporting to the Board of Directors, the Finance and Audit Committee are able to provide assurances that risks are being effectively identified and managed.

The governance structure and financial controls framework of the MAT are designed to meet all the requirements set out by the ESFA through the Academies Financial Handbook.

### **Financial controls, processes and reporting**

Monthly management accounts are produced and shared with Directors, the CFO attends Board meetings and presents the management accounts to the Directors. These management accounts represent the consolidated financial position of The Oak Partnership's Academy Schools, each of which are supported in the production of monthly monitoring reports. Budgets are produced for each Academy School, and the consolidated position for the MAT is presented to the Board of Directors for approval and adoption as the Trust's budget. There will continue to be particular and enhanced scrutiny of these monthly accounts as schools join and as the Trust expands.

This scheme of delegation is in operation to ensure appropriate authorisation of expenditure, in order that the Directors can be assured that monies are being properly used. Additionally, a procurement framework is used to ensure economy, efficiency and value for money, which is compliant with the public procurement framework.

We operate through sound financial controls and processes to identify any weaknesses and risks to the financial sustainability of the model. Extensive and broad due diligence work is conducted before schools are admitted to the Trust, to identify any financial risks. Plans are put in place to mitigate any risks identified during due diligence work, and schools need to adhere to those plans following admission to the MAT.

A set of financial KPIs, monitored at school-level on a monthly basis, provides an early indication of schools where the financial position indicates vulnerability.

On admission to the The Oak Partnership, schools accept that, where KPIs are not met, the Trust's central team will intervene and provide additional decision-making capacity and financial support to the appropriate academies.

Academy School three year financial forecasts (consolidated at the MAT level) enable the Directors to plan for the financial future of The Oak Partnership. Three year plans are presented annually to the Finance and Audit Committee and to the Board of Trustees, as part of the budget approval process.

The Oak Partnership takes a strong strategic approach to analysis of demographic and pupil data enabling it to proactively plan for changes in the forecasts of the numbers of pupils on each school's roll.