

Summary of Financial Authorisation Levels (2022)

Delegated Duty	Value	Delegated Authority	Method
Ordering Good and Services (raising requisitions) signature required.	Up to £10,000	Primary: Headteacher and budget holder Secondary: Budget Holder (e.g.HOD)	If within approved budget. 2 oral quotes between £1000-£3000 Minimum of 2 written quotes between £3000-£10,000
	Up to £50,000	Secondary: Headteacher Central budget -CFO/CEO Primary: CEO and headteacher	If within approved budget level and spend identified in the budget Minimum of 3 written quotes between £10,000 and £50,000
	£50,000 to £118,000	CEO & Budget Holder	£50,000-£138,760 at least 3 Tenders Formal tendering process for items/services above £138,760, including using the gov.uk: Find a tender service (FTS)
	£118,000 and over	AF&R/Trust Board Authority to accept other than lowest quotation or tender	
Award Contracts (total value over contract life)	Up to £10,000	Primary: Headteacher	All contracts should be notified to the CFO/CEO prior to agreeing to aid joint procurement for the Trust
	Up to £50,000	Secondary Headteacher/CFO	
	Up to £100,000	CEO	
	Over £100,000	AF&R/Trustees	
BACS Authorisations (batch value)	Up to £25,000	Senior staff Member/Business Manager	Signature on the BACS report or email authorisation if this is not manageable
	Up to £75,000	Headteacher/CFO	
	Up to £150,000	CEO	
	Over £150,000	Chair of Trustees/Chair of Finance	
Signatories for cheques DFE grant claims and DFE returns		Two signatories (or as required by DfE) from: <ul style="list-style-type: none"> • Headteacher • Business Manager • Senior staff • CFO • CEO 	

Delegated Duty	Value	Delegated Authority	Method
Disposals of Asset	Up to £20,000 (purchase value)	Headteacher (notified to CFO if over £3,000)	Completion of disposal form
	£20,000 and Over	As above plus AF&R committee	As above
Write-off of bad debts	Up to £1,000	Headteacher	Written request and signed by appropriate delegated authority
	Up to £10,000	CFO and CEO	
	£10,000 to £45,000	As above plus AF&R Committee	
	Over £45,000	As above plus DfE Approval	
Purchase or sale of any freehold property	Any	DfE Approval required	
Granting / take up of any leasehold or tenancy agreements exceeding 3 years	Any	DfE Approval required	
Raising Invoices to collect income	Up to £50,000	Business/Finance Manager	
	£50,000 to £100,000	As above plus CFO	
	Over £100,000	As above plus AF&R committee	
Payroll	Authorisation of monthly payroll for each school	Headteacher	Sign the payroll report
	Discretionary payments up to £3,000	Headteacher	Business case must be produced, approved and retained for all discretionary payments
	Discretionary payments up to £20,000	As above plus CEO	
	Discretionary Payments £20,000 to £50,000	As above plus AF&R	
	Discretionary Payments £50,000 and over	As above plus ESFA	

NOTE. It is good practice to inform the Central Team (CEO/CFO) for any purchases over £10,000 to see if joint procurement and efficiencies can be made across the Trust

Extract from Academy Trust Handbook (2021) re ESFA approval

5.64 Summary of Freedoms and Delegations

This summary is not a substitute for the full handbook

Novel, contentious and repercussive	Novel, contentious and repercussive transactions	ESFA agreement required (5.5)
Special Payments	Staff severance and compensation	ESFA agreement required if £50,000 or more before tax (5.10 and 5.15)
	Ex gratia payments	ESFA agreement required (5.18)
Write-offs and liabilities (subject to £250,000 ceiling)	Writing-off debts and losses	ESFA consent required if exceeds: <ul style="list-style-type: none"> • 1% of annual income or £45,000 individually: or • 2.5% or 5% of annual income cumulatively (5.19 and 5.20)
	Entering into guarantees, indemnities or letters of comfort	
Acquisition and disposal of fixed assets	Acquiring freehold land/buildings	ESFA agreement required (5.23)
	Disposing of a freehold on land/buildings	
	Disposing of heritage assets	
	Other Disposals	Trust has full discretion (5.24)
Leasing	Taking up a finance lease	ESFA agreement requires (5.26)
	Taking up a leasehold on land and buildings	ESFA agreement required if lease term seven years or more (5.26)
	Taking up any other lease	Trust has full discretion (5.27)
	Granting a lease on land and buildings	ESFA agreement requires (5.26)
GAG	GAG carry forward	No limits if trust eligible (5.29)
	Pooling by trusts with multiple academies	No limits (except PFI) if trust eligible (5.30)
Borrowing	Loan, overdraft	ESFA agreement required (5.33)
	Credit Cards (for business use)	Trust has full discretion provided charges not incurred (5.33)
Related party transactions	Supplies to the trust from related parties	ESFA agreement required over £20,000 and over associated limits in 5.42