



Scheme of Governance, Management and Delegation

The Exceptional Education Trust

December 2017

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Preface: The Exceptional Education Trust Vision and Values

The Exceptional Education Trust Vision:

To be recognised as a world class leader in education, ensuring every child is ready to take up the challenges and realise the opportunities of the 21st Century.

Our vision will be realised through the delivery of five key aims articulated as commitments to the local community:

1. To develop outstanding leaders across the school

We are committed to developing outstanding leaders through the establishment of a centre of excellence, ensuring all students have the skills required to develop into young men and women who are ready to take up the challenges and realise the opportunities of the 21st century and impact positively on every aspect of society, whether locally, nationally or internationally.

2. To guide our students to achieve exceptional academic performance across all subjects

We are committed to developing every student's skills and knowledge, ensuring exceptional academic performance for all and enabling students to access the most ambitious career paths and gain access to the best universities nationally and internationally

3. To provide an Outstanding Learning Experience for every student.

We are committed to providing each student with a high quality personalised learning experience through exceptional teaching and an outstanding curriculum. 'Every Child, All the Time' drives our belief that every child is able to achieve the extraordinary relative to their own personal abilities.

'Every Child, All the Time' is an approach to student progress where every day, in every lesson, every student will be receiving the best possible learning experiences. It recognises the need to respond to students' emotional needs as well as learning needs throughout their educational journey, appreciating that these needs are different for every child and can change at different stages of this journey.

4. To ensure every student has access to high quality Enrichment activities.

We are committed to ensuring every student has access to exceptional enrichment experiences and activities including high quality coaching so they aspire to participate, compete and succeed at a local, national and international level.

5. To be the School of Choice for the local community.

We are committed to providing a school that:

- meets the needs of every child.
- develops citizens committed to British Values of democracy, tolerance, respect and the rule of law.
- is a safe, happy and caring learning environment where students want to be.

The Trust would be committed to ensuring each partner school within the Trust;

- a local school with their own identity,
- working together to share best practice
- able to create economies of scale to ensure sustainable outstanding performance.

Each School to operate within a framework that promotes individual ownership and autonomy; with its own local Governing Body who have been delegated appropriate powers based upon experience and success.

1 Introduction

- 1.1 This Scheme of Governance, Management and Delegation (the "Scheme") has been made by the directors (the "**Directors**") of The Exceptional Education Trust ("the "**Academy Trust**") in exercise of the powers conferred on them by Articles 105 and 137 of the Articles of Association of the Academy Trust (the "**Articles**").
- 1.2 The Trust is both a company limited by guarantee, registered at Companies House (Company Number 10014175) and a charity. The Trust's Object is "to.... advance, for the public benefit, education in the United Kingdom....." i.e. the Academies, is a charity. The Trust is not a registered charity but an "exempt" charity, regulated by the Secretary of State for Education, who acts as the principal regulator.
- 1.3 The Trust's constitution is set out in its Articles of Association and this Scheme of Delegation has been put in place by the Trust to regulate all activities.
- 1.4 The purpose of the Scheme is to set out a framework under which the Academy Trust is governed and managed, and in particular:
- 1.4.1 how the Directors work together effectively;
 - 1.4.2 relationship between the Directors, the local governing bodies ("**LGBs**") and the executive; and
 - 1.4.3 how the Directors ensure compliance with the various legal and regulatory requirements placed on them.
- 1.5 This Scheme shall be reviewed by the Directors annually and in the context of such review, the Directors shall have regard to any new legislation or guidance affecting the provisions of these documents.
- 1.6 This Scheme may be altered, added to or repealed by a majority resolution of the Directors or by the Members of the Academy Trust in a general meeting.
- 1.7 A copy of this Scheme shall be given to the Members of the Academy Trust, every Director, each Local Governor, the Principals/Head teachers of the Academies operated by the Academy Trust, the Chief Operating Officer, Finance Managers, the Company Secretary and the Responsible Officer (if appointed) now and in the future on appointment.

2 The Academy Trust

- 2.1 The Academy Trust is responsible for Norlington School and 6th Form and any other schools that may join the Academy Trust in the future ("**the Academies**").
- 2.2 The Academy Trust has entered into a master funding agreement and separate supplemental funding agreements for each Academy under section 1 of the Academies Act 2010 with the Secretary of State for Education in relation to the funding of the Academies ("**the Funding Agreement**").
- 2.3 The Funding Agreement places a number of requirements on the Academy Trust including the requirement to comply with the DfE's Academies Financial Handbook ("**the Handbook**").

3. Accountability: Governance and management structures

- 3.1 There are a number of roles involved in the running of any multi-Academy Trust and these are as follows:
- 3.1.1 the Members;
 - 3.1.2 the Directors;
 - 3.1.3 the Local Governing Bodies ("**LGBs**") – each Academy has a Local Governing Body shall operate as a committee of the Directors. The members of the Local Governing Bodies are called "**Local Governors**";
 - 3.1.4 the Head teachers of each Academy who have responsibility for the day-to-day running of that Academy.

4 Members

4.1 The role of the Members

- 4.1.1 Members are members of the Academy Trust for the purposes of the Companies Act(s).
- 4.1.2 The "**Members**" of the Trust are equivalent to shareholders of a trading company but as the Trust is charitable with no power to trade or distribute profit to shareholders, the Members are best viewed as guardians of the constitution, ensuring the charitable object is fulfilled. Each Member's liability is limited to £10 and, in view of the limited liability and therefore scope for accountability, they have limited governance and no day to day management responsibilities.
- 4.1.3 They have a number of statutory rights including the right to remove Directors, the right to amend the Articles and the right to receive the annual accounts. They also have the right to appoint up to six Directors under the Articles of Association.
- 4.1.4 Whilst the Members have limited legal and financial responsibility for the affairs of the Trust, the Department for Education recommends that there is some distinction between the Members and the Trustees as "this promotes internal challenge and scrutiny, which members who are independent of the trustees can provide" (*Governors' Handbook September 2014*).
- 4.1.5 The Members will often meet just once a year at the AGM.
- 4.1.6 Members may also attend Full meetings of Directors and will receive minutes of all meetings of Directors upon request.
- 4.1.7 The Department recommends that the Trust has five Members, but fewer is possible. The Trust's Articles require a minimum of three. Some or all of the Members may also be Trustees, and the Articles state that the Chair and Vice Chair of the Trust Board will be Members *ex officio*, but at least one Member should be entirely independent of the Trustees.

4.2 The appointment of the Members

4.2.1 Members are appointed in accordance with Articles 12 to 18 of the Articles of Association.

4.2.2 On appointment, all Members shall be required to complete a 'Consent to be a Member' form (in the form set out in Appendix 1) and the Secretary shall update the register of Members as appropriate. Companies House does not need to be notified.

4.3 Members' key responsibilities

The key responsibilities of Members are:

4.3.1 to ensure the Objects of the Trust are met, the Annual Report should address this which will be presented to the Members either at the Annual General Meeting or by other means;

4.3.2 to determine the Trust's constitution and governance structure, i.e. the Articles which will have been finalised on incorporation; and

4.3.3 exercising either a direct power under the Articles or a statutory power under the Companies Act 2006 to appoint and remove Trustees (noting any power of the Trust Board to make such appointments), which should be exercised sparingly given the management responsibility is vested in the Trust Board.

5 Directors

The Directors have overall responsibility and ultimate strategic decision making authority for all the work of the Trust, including the establishing and maintaining of the Academies (which includes taking existing schools into the Trust and establishing new schools). The Trustees have the power to direct change where required.

5.1 Directors have a fiduciary duty to act in good faith in the best interests of the Trust. This duty includes a responsibility to do the following:

5.1.1 to ensure compliance with any legal obligations;

5.1.2 to report on the Trust's activities (the Trust must prepare accounts in accordance with the Statement of Recommended Practice for Charities);

5.1.3 to fulfil the object of the Trust as set out in its constitution (i.e. the **Articles of Association**) and to act in a way which is compliant with the rules of the Trust contained in the Articles;

5.1.4 to act with integrity and to avoid any personal conflicts of interest and not to misuse any Trust funds or assets;

5.1.5 to act prudently in the financial management of the Trust, avoiding putting any assets, funds or reputation of the Trust at undue risk and acting in accordance with the HM Treasury "Code of Conduct for Board Members in Public Bodies";

- 5.1.6 to exercise reasonable care and skill, using personal knowledge and experience to ensure the Trust is well run and efficient; and
 - 5.1.7 to act responsibly, getting advice from others, including professional advisors, where appropriate.
- 5.2 The Directors must act independently and in the best interest of the Trust. They are required to:
- 5.2.1 act together and in person and not delegate responsibility of the Academy Trust to others;
 - 5.2.2 act strictly in accordance with the Academy Trust's Articles of Association;
 - 5.2.3 act in the Academy Trust's interests only and without regard to their own private interests;
 - 5.2.4 manage the Academy Trust's affairs prudently;
 - 5.2.5 not to take personal benefit from the Academy Trust unless expressly authorised by the Articles of Association or the Charity Commission; and
 - 5.2.6 take proper professional advice on matters on which they are not themselves competent.

5.3 Capacity of Directors

In simple terms, the Directors "manage and delegate day to day running to the CEO" the affairs of the Academy Trust and are responsible for the day to day running of it. Each Director is:

- 5.3.1 a director of the Academy Trust: the directors are responsible for the governance and supervision of the Academy Trust and its committees (including LGBs) and executives (including Principals/Head teachers); and
 - 5.3.2 a charity trustee with responsibility for protection of the assets of the Academy Trust.
- 5.4. The specific tasks and responsibilities¹ of the Trust Board are as follows:
- 5.4.1 to determine and fulfil the shared vision and ethos of the Trust and the Academies;
 - 5.4.2 to develop a strategic plan for the Trust and to effectively communicate that plan so this can be implemented across the Trust and all the Academies, including determining any future expansion of the Trust and the relationship that the Trust has with the Secretary of State for Education (including also the Department for Education, the Education Funding Agency and Ofsted);
 - 5.4.3 to develop and support strategic partnerships with other bodies and

¹ The duties and responsibilities of the Directors are explained in further detail in the separate document entitled "*Guidance for prospective Directors: What does academy conversion mean for me*" and Charity Commission guidance CC3: The Essential Trustee.

organisations, including service providers and government agencies, which will further the Trust's strategic plan;

- 5.4.4 to act as a critical friend to the Chief Executive Officer and each of the Local Governing Bodies;
- 5.4.5 to ensure sound management and administration of the Academy Trust, and ensuring that managers are equipped with the relevant skills and guidance;
- 5.4.6 to determine and ensure implementation of policies and procedures which it is intended will achieve a consistently high standard of education and financial prudence across the Trust dealing with (but not limited to) the following:
 - Human Resources/Employment
 - Audit & Risk Management
 - Contingencies and Reserves (both central and at Academy level)
 - Governance
 - Health & Safety
 - Operational Matters
 - Data Management
 - Complaints and Appeals
 - Legal Compliance
- 5.4.7 to determine the financial controls and the financial management of the Academy Trust in accordance with the provisions of the Handbook, which sets out in detail provisions for the financial management of each Academy including guidance on financial systems and controls and accounting and reporting requirements;
- 5.4.8 to formally appoint and, in conjunction with the Chief Executive Officer and the Local Governing Body, to review the performance of the Head teachers of the Academies;
- 5.4.9 to monitor and evaluate the delivery of the central or shared services and functions provided by the Executive Team lead by the Chief Executive Officer, ensuring there is comprehensive support to the Academies and procuring any strategic third party services as determined appropriate;
- 5.4.10 to establish and support risk management, that is identifying, quantifying and devising systems to minimise the major risks affecting the Academy Trust;
- 5.4.11 to ensure there is a proper system for the internal audit of the accounts of the Trust (including the Academies) and the financial procedures followed by the Academies, managing and overseeing risk, facilitating the preparation of the Trust's accounts by the Trust's auditors and establishing a formal "Audit and Risk Committee" adopting the terms of reference set out in Appendix 4 which will be responsible for carrying out periodic internal audits of the Academies' financial processes, procedures and accounting records;
- 5.4.12 to set standards of conduct and values and monitoring performance and the

achievement of objectives, and ensuring that plans for improvement are acted upon;

- 5.4.13 to act as the ultimate decision maker in relation to any appeals by staff following disciplinary or grievance procedures;
- 5.4.14 to ensure that the Academy Trust and the Academies are conducted in compliance with the general law and that proper advice is available to the Trust and the Academies in relation to legal and compliance matters;
- 5.4.15 to ensure that insurance or risk protection cover is put in place and maintained for all risk areas including damage to property, employer liability, public and third party liability and Trustee liability;
- 5.4.16 to have regard to the framework for inspecting schools in England under section 5 of the Education Act 2005 (as amended) issued by The Office for Standards in Education, Children's Services and Skills (Ofsted);
- 5.4.17 to have regard to the Handbook which shall be circulated to all Directors.

5.5 The appointment of Directors

- 5.5.1 The Directors shall be appointed in accordance with Articles 45 to 80 of the Articles of Association.
- 5.5.2 On appointment, all Directors shall be required to:
 - (a) complete a Director Declaration (in the form set out in Appendix 1);
 - (b) complete an AP01 form for submission by the Company Secretary to Companies House (either in paper form or electronically).
- 5.5.3 The Secretary shall update the register of Directors in the statutory books.

5.6 Constitution of the Board of Directors

- 5.6.1 The Articles require there to be a minimum of three Directors (although the number of Directors is not subject to any maximum).
- 5.6.2 The constitution of the Board of Directors is set out in the Articles. The Board is constituted as follows:
 - (a) up to 9 Directors appointed by Members;
 - (b) the Chief Executive Officer
 - (c) at least two "Parent Directors" elected by the parent members of the LGBs (unless there are a minimum of 2 parent members serving on the LGB);
 - (d) Co-opted Directors (appointed by Directors who are not themselves Co-opted Directors).
- 5.6.3 In accordance with the Articles, the Directors shall elect a Chairman and Vice Chairman from among their number each academic year.

5.7 Meetings of Directors

- 5.7.1 The Directors shall hold at meetings at least 3 times in every school year and as many as required to discharge their duties. The dates of meetings are to be agreed and published at the final meeting of the previous academic year.
- 5.7.2 All meetings of the Directors shall be convened and conducted as provided by the Articles of the Academy Trust.
- 5.7.3 Each meeting of the Directors shall, in respect of the Academies and the Academy Trust shall cover risks as identified in section 5.4.6
- (a) a report on the financial position, including income and expenditure and financial commitments against agreed budgets;
 - (b) whether adequate financial monitoring of budgets and activities is being undertaken;
 - (c) progress on any action identified to improve financial arrangements;
 - (d) significant contracts proposed to be entered into;
 - (e) details of any significant matters affecting:
 - (i) staff
 - (ii) pupils' welfare or education; and
 - (iii) assets.
- 5.7.4 The Chair of the Directors shall prepare an annual plan for the meetings of the Directors.
- 5.7.5 Trust Directors will organise an Annual General Meeting open to all Parents of Students and who attend Trust Academies [LGBs].

5.8 Accountability of Directors

The Directors are chiefly accountable to:

- 5.8.1 the beneficiaries of the Academy Trust (students at the Academies and their parents) and also to the local community for the quality of education and pastoral care at the Academies and for matters of health and safety and for safeguarding and promoting the welfare of the students;
- 5.8.2 the Department for Education ("DfE"), the Education Funding Agency and specifically the Secretary of State under the terms of the Funding Agreement;
- 5.8.3 the Secretary of State (in his role as Principal Regulator in respect of charity matters) to operate the Academy Trust for the public benefit and for the prudent management of the Academy Trust and its financial efficiency and for compliance with legislation including charities legislation;
- 5.8.4 the employees of the Academy Trust for their working environment, and for compliance with the contract of employment and employment law requirements and matters of health and safety; and
- 5.8.5 other regulatory authorities for compliance with regulated responsibilities to which the Academy Trust and the Academies are subject.

5.9 Delegation of Powers of Directors

- 5.9.1 The Directors may delegate such of their powers or functions that they can legally delegate and which they consider it would be desirable to delegate.
- 5.9.2 The Directors must not delegate any of their powers listed in Appendix 3 ("the Reserved Matters").
- 5.9.3 Delegation can be made to:
- (a) Academy Trust Committees (committees with functions related to the Academy Trust) including the Audit, Finance and Resource Committee or another Committee;
 - (b) the LGBs;
 - (c) the [CEO]
 - (d) any Director holding executive office [COO]
 - (e) the Principal(s) of Trust Academies
 - (f) Executive Principals in accordance with Levels of delegation.
- 5.9.4 However, every act of delegation shall be a delegation of powers and duties, and not a delegation or shedding of responsibilities.

5.10 Risk management

5.10.1 SORP 2005 (as revised 2008) (the statement of accounting practice which charities must comply with) and the Charities (Accounts and Reports) Regulations 2008 require the Directors to make a statement in their annual report which confirms the major risks to which the Academy Trust is exposed (as identified by the Directors) have been reviewed and that systems have been established to mitigate those risks.

5.10.2 The Directors are therefore responsible for:

- (a) identifying the major risks that apply to the Academy Trust, including:
 - (i) operational risks (employment issues, health & safety, fraud, service quality and development etc.);
 - (ii) financial risks (accuracy of financial information, cash flow, reserves, over-reliance on funding sources etc.);
 - (iii) external risks (changes in government policy, economic factors, demographic changes, adverse publicity etc.); and
 - (iv) regulatory risks (compliance with legislation, changes in policies of the regulators etc.);
- (b) making decisions (based where appropriate on advice from the Chief Operating Officer and professional advisors) as to how to respond to those risks; and
- (c) making appropriate statements regarding the management of risks in the annual report.

5.10.3 The Audit & Resources Committee shall prepare:

- (a) a risk management policy
- (b) a contingency and business continuity plan;

- (c) a fraud policy;
- (d) a whistle-blower policy, for approval by the Directors.

5.10.4 The Audit & Resources Committee shall prepare a risk register for approval by the Directors along with a procedure by which the risk register shall be subject to regular review and made available to all staff. The risk register shall have named individuals assigned to manage each area.

5.11 The management of conflicts of interest

5.11.1 All Directors are required to complete a declaration of business interests form on appointment and on an annual basis (including a nil return). Such declarations shall include:

- (a) all business and financial interests such as directorships, shareholdings, and other appointments of influence within a business or other organisation; and
- (b) interests of related persons such as parents, spouses, children, personal and business partners where influence could be exerted by that person over a Director or member of staff.

5.11.2 The [Company Secretary] shall be responsible for maintaining a register of business interests including nil returns.

5.11.3 Each meeting of the Directors shall include a standing agenda item for those attending to declare any changes to their declarations of interest.

5.11.4 No Director shall receive any payment for their work as a Director, other than payment of reasonable out of pocket travel, accommodation and other expenses which shall be subject to the prior written approval of the [Chief Operating Officer (or his deputy in his absence)].

5.11.5 The Directors have a responsibility to up hold the principles outlined in Appendix 6 in relation to conflict of interest matters.

6 The Company Secretary

6.1 The Company Secretary is appointed and removed by the Directors at such time and for such remuneration as the Directors may determine.

6.2 The Company Secretary is the chief administrator with respect to the Academy Trust's administration affairs.

6.3 The main functions of the Company Secretary are set out in the advice note entitled '*Information for the Company Secretary*'.

7 Committees of the Board of Directors

7.1 As recommended by the Academies Financial Handbook, the Board of Directors will establish an Audit and Resources committee as a standing committee. The Audit and Resources Committee:

7.1.1 provides objective and independent assurance over the suitability of, and compliance with, its financial systems and controls;

7.1.2 may not include staff employed by the academy trust as members,

although they may attend meetings to provide information and participate in discussions;

- 7.1.3 may include those who are not Directors of the Academy Trust, provided that a majority of the committee are Directors.
- 7.2 The Board of Directors will also establish a Remuneration Committee as a standing committee. The Remuneration Committee:
 - 7.2.1 is responsible for reviewing the salaries of the Chief Executive Officer, the Chief Finance Officer and the Head teachers within the Trust;
 - 7.2.2 is responsible for reviewing staff pay across the Trust;
 - 7.2.3 may act as an appeals committee in the event of any pay dispute.
- 7.3 The Directors may appoint other committees with functions related to the Academy Trust. The constitution, membership and proceedings of any committee shall be determined by the Directors under terms of reference.
- 7.4 Each committee shall be chaired by a Director.
- 7.5 Membership of a committee may include persons who are not Directors provided that (with the exception of the LGBs which are referred to in paragraph 8 below) a majority of the members of the committee are Directors.
- 7.6 Except in the case of an LGB, no vote on any matter shall be taken at a meeting of a committee of the Directors unless the majority of members of the committee present are Directors.
- 7.7 The Directors shall ensure that they receive adequate feedback on the work of any committees.
- 7.8 Committees will act in an advisory capacity to the Directors, except where powers have been specifically delegated to them by the Directors.
- 7.9 The terms of reference of each committee of the Directors must be approved by the full board of Directors and reviewed annually. They provide the sole, agreed framework within which each committee operates.

8 Local Governing Bodies

- 8.1 The Funding Agreement requires the board of Directors to establish a Local Governing Body (also referred to as an 'Advisory Body') in respect of each Academy to provide advice to the Directors on the functioning of that Academy.
- 8.2 Membership of the Local Governing Body must include a minimum of two elected parents of a pupil at the Academy.
- 8.3 The Local Governing Body is a committee of the main board of Directors which operates under terms of reference - these terms of reference will confirm what powers the Directors have delegated to the Local Governing Body.
- 8.4 The Local Governing Body is made up of individuals who may or may not also be Directors.
 - 8.4.1 Each LGB shall comprise, as a minimum:
 - (a) the Principal/Headteacher of the Academy;

- (b) at least two elected parent/guardians of a pupil at the Academy;
 - (c) up to two employees at the Academy (to be elected by employees of The Academy);
 - (d) such other members as the Directors decide.
- 8.5 Directors will appoint a Chair and a Vice Chair to each LGB from the membership outlined in 8.4 above. The appointment will be made in consultation with the Governing body of the school
- 8.6 Each Local Governor, including the Chair and Vice Chair will be appointed for a four-year term.
- 8.7 The functions and proceedings of the LGBs shall be subject to regulations (or "constitution and terms of reference") made by the Directors. The constitution and terms of reference of the LGBs are set out in a separate document which may be amended by the Directors from time to time.
- 8.8 The level of delegation to LGB shall follow the framework outline in Appendix 4 with levels of delegation measured against;
- (a) Current Ofsted judgement
 - (b) Academic performance
 - (c) Budget and financial sustainability
 - (d) Parental choice
 - (e) Quality of leadership and operational effectiveness (including expected performance) including the leaderships ability to achieve at least a 'Good' Ofsted Judgement at the next inspection.
 - (f) Commitment to the aims and values of The Trust
- 8.9 The Levels of delegation shall be reviewed by the Directors annually and in the context of such review, the Directors shall have regard to any new legislation or guidance affecting the provisions of the framework.

9 The Chief Executive and Chief Operating Officers

- 9.1 The Chief Executive Officer (CEO) is appointed by the Directors of the Trust. The CEO will have full executive responsibility for the trust, leading the development and delivery of the board's strategy through fellow executives and a small central team. The CEO's principal areas of accountability include responsibility to:
- 9.1.1 develop the Academy Trust, ensuring its success and sustainability;
 - 9.1.2 ensure the Trust operates in accordance with Articles of Association and Charitable objects
 - 9.1.3 provide educational leadership to support the Trust's Head teachers/Principals to achieve sustainable high performing Academies;
 - 9.1.4 ensure the vision and values of the Trust are embedded across all Academies within the Trust;
 - 9.1.5 oversee the monitoring of Academies as agreed by Directors through the 'Level of delegation' framework (Appendix 6), reporting on progress as required
 - 9.1.6 oversee the targeted support and improvement of Academies as agree by Directors through the 'Level of Delegation' framework (Appendix 5), reporting on

- 9.1.7 ensure the Trust and the Academies within it meet all their statutory requirements, including safeguarding, child protection and SEND;
- 9.1.8 ensure the Trust delivers value for money through an effective and efficient central services offer to all schools;
- 9.1.9 act as Accounting Officer for the Trust, as required by the Academies Financial Handbook.
- 9.2 The Chief Operating Officer (COO) shall be the Chief Finance Officer for the purposes of the Handbook. In accordance with the Handbook, the [COO] is responsible for, along with a wider remit, the following responsibilities:
 - 9.2.1 the day to day management of financial issues;
 - 9.2.2 the preparation and management of the Academy Trust's budget;
 - 9.2.3 the maintenance of effective systems of internal control;
 - 9.2.4 ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the Academy Trust.
- 9.3 The COO is responsible for guiding the Directors on financial, audit and charity accounting matters, as well as dealing with the day to day management of the financial position of the Academies and the maintenance of effective controls.
- 9.4 The COO shall report to the Directors and the Finance Committee at least once per school term.
- 9.5 The COO shall manage, under guidance from the CEO, the centralised services of the Trust to achieve best value for all schools across the Trust.
- 9.6 The COO shall oversee all financial matters related to all schools in the Trust.

10 Financial Regulations Manual ("the Finance Manual")

- 10.1 The Finance Manual, which shall be prepared by the COO, shall be adopted by the Directors, following review and recommendation of the Audit and Resource Committee.
- 10.2 The purpose of the Finance Manual is to ensure that the Academy Trust maintains and develops systems of financial control which conform with the requirements both of propriety and of good financial management.
- 10.3 The Finance Manual shall include:
 - 10.3.1 'Finance Authorisation Levels' which shall confirm the delegation of authority to key individuals up to a specified value;
 - 10.3.2 appropriate procedures to monitor cash requirements to ensure that the Academy Trust will not become overdrawn;
 - 10.3.3 a competitive tendering policy for larger purchases in accordance with the Handbook; and

10.3.4 a capitalisation limit for assets.

10.4 The COO shall be responsible for preparing a policy for the disposal of assets for approval by the Directors with a view to ensuring the best possible value is obtained from any disposal.

11 Budget approval

11.1 The Directors shall be presented with a balanced budget for the year to 31 August for submission to the Education Funding Agency by 30 June or within six weeks of receipt of the final funding letter.¹

11.2 The COO shall be responsible for:

11.2.1 establishing a written procedure and timetable, for setting a budget in advance of each academic year;

11.2.2 setting the annual budget (including the assumptions on which it is based) for approval by the Directors and for monitoring progress against it during the year;

11.2.3 ensuring that all significant in year amendments to budgets are properly notified to the Directors for approval. The [Audit, Finance and Resource Committee] shall determine the appropriate thresholds and procedures for this;

11.2.4 reporting to the Directors on the accuracy of the assumptions which have been used; and

11.2.5 reporting to the Directors on the key financial performance indicators included in the budget.

11.3 The Directors shall be responsible for approving the final audited accounts and the Academy Trust's accounting policies, as set out therein.

11.4 The Directors shall ensure that they put in place procedures to review their own effectiveness and skills available in overseeing the Academy Trust's financial performance, and the soundness of its internal control.

12 The Principals/Head teachers of the Academies

12.1 The Directors shall appoint the Principals/Head teachers of the Academies.

12.2 The Principals/Head teachers are responsible to the Chief Executive for:

12.2.1 the internal organisation, management and control of his/her respective Academy,

12.2.2 the implementation of all policies approved by the Directors that relate to his/her respective Academy; and

12.2.3 for the direction of the teaching and implementation of the curriculum at their respective Academy; and

12.2.4 the overall performance of his/her respective Academy

- 12.3 The Directors may delegate such additional powers and functions as they consider are required by each of the Principals/Head teachers to enable them to carry out the above responsibilities.
- 12.4 The Directors shall be responsible for the Disciplinary Investigation, suspension and Capability of Academy Principals / Head Teachers.
- 12.5 The Executive Team will be responsible for any Ill Health procedures and monitoring for Principals

13 The Accounting Officer

- 13.1 The CEO of the Trust shall have the role of "Accounting Officer" as set out in the Handbook.
- 13.1.1 The Accounting Officer is personally responsible to the Directors for ensuring:
- (a) regularity and propriety- i.e. dealing with money in accordance with applicable legislation, authority and rules and with fairness and integrity (including avoidance of personal gain);
 - (b) prudent and economical administration, which is concerned with securing value for money;
 - (c) avoidance of waste and extravagance;
 - (d) efficient and effective use of available resources; and
 - (e) through the management of Principals/ Head teachers, the day to day organisation, staffing and management of the Academy.
- 13.1.2 Included in the responsibilities of the Accounting Officer is a duty to take appropriate action if the Board of Directors (or the LGB) or the Chairman is contemplating a course of action which the Accounting Officer considers would infringe the requirements of propriety or regularity (including the provisions of the Funding Agreement or other documents setting out the financial duties of the Directors or of any other rules governing the conduct of the Directors), or would not represent prudent or economic administration, or the efficient or effective discharge of the Directors' functions.
- 13.1.3 The Accounting Officer shall be required to provide a statement on governance, regularity, propriety and compliance in the Academy Trust's annual report. The format of the statement is included within the Accounts Direction which is issued annually.
- 13.1.4 The Accounting Officer may delegate or appoint others, such as the COO, to assist in carrying out these responsibilities.

14 Staff appointments and Performance Management

- 14.1 The CEO, COO and the Principals/Head teachers shall be appointed by the Directors.
- 14.2 The Senior Leadership Team – Assistant headteacher positions and above - at each Academy shall be appointed by the Directors following consultation with the respective Principals/Head teachers and LGB.

- 14.3 The teaching staff at each Academy shall be appointed by the respective Principal/Head teacher with support from the LGB following approval for such recruitment by the Directors.
- 14.4 The non-teaching staff at the Academies shall be appointed by the respective Principal /Head teacher with support from the LGB following approval for such recruitment by the Directors.
- 14.5 The performance management of the Principals/Head teachers shall be carried out by the Remuneration Committee and approved by the Directors. in consultation with the Chairman (or, in his or her absence the Vice-Chairman) of the relevant LGB.
- 14.6 The Principals/Head teachers' pay will be determined by the Remuneration Committee and approved by the Directors.
- 14.7 The performance management of the CEO and COO shall be carried out by the Remuneration Committee and approved by the Directors.
- 14.8 The performance management of all other employees will be carried out by the Principals/Head teachers (who may delegate to appropriate managers). The Principals/Head teachers shall be responsible for making pay recommendations to the Remuneration Committee for approval.
- 14.9 The Academy Trust is responsible (through the Audit and Resource Committee) for establishing a written performance management policy to govern implementation of teacher and support staff performance management following consultation with staff; (such consultation may be carried out by the Principals/Head teachers on behalf of the Academy Trust).
- 14.9.1 The Academy Trust must review the performance management policy each year.
- 14.9.2 The Academy Trust must make a copy of the policy available to each Academy, any of the staff, anyone inspecting the Academies' performance management system or to an authorised external adviser.

15 Interpretation

- 15.1 Words and expressions defined at Article 1 of the Articles of the Academy Trust shall have the same meaning in this Scheme unless the context otherwise requires.
- 15.2 No provision of this Scheme may be inconsistent with or shall repeal anything contained in the Memorandum or Articles of Association of the Academy Trust.
- 15.3 The Memorandum and Articles of Association of the Academy Trust and any lawful amendment of them shall take precedence in the event of an inconsistency with this Scheme.
- 15.4 Any reference to a statute includes an amendment or re-enactment of that statute or regulations made under it.
- 15.5 Words in the masculine include the feminine genders and vice versa; words in the singular include the plural and vice versa; headings are for ease of reading and do not form part of the Scheme.

16 Approved version

- 16.1 This Scheme of Governance, Management and Delegation was approved and adopted by a resolution of the Directors passed at a meeting held on []

Scheme of Governance, Management and Delegation
and has effect from the same date.

The Exceptional Education Trust

17 Date of next review

16.1 This Scheme shall be reviewed by the Directors annually.

Appendix 1 Consent to be a Member

The Exceptional Education Trust (the Company)

I hereby consent to being a Member of the Company.

As a Member of the Company I hereby undertake to contribute to:

the assets of the Company in the event of its being wound up whilst I am a Member, or within one year after I cease to be a Member

payment of the debts and liabilities of the Company contracted before I cease to be a Member and of the costs, charges and expenses of winding up; and

the adjustment of the rights of the contributories among themselves, such amount as may be required provided that such amount does not exceed £10.

Signed

Full name

Address

Date

Please sign and retain the additional copy of this document with your records.

The Exceptional Education Trust: a company limited by guarantee

Company registration number: 10014175

Registered office: Norlington School and 6th Form, Norlington Road, London E10 6JZ

Appendix 2 Director declaration

The Exceptional Education Trust (the Company)

I confirm that I am willing to act as a director of the Company (a **Director**). I further confirm that I am not disqualified from so acting by virtue of any provisions of the Articles of Association of the Company, including but not limited to the requirement that I am not disqualified from acting as a charity trustee or director by virtue of section 72 of the Charities Act 1993 (extract included in 0 below).

Signed

Full name

Address

.....

.....

.....

.....

Date

Please sign and retain the additional copy of this document with your records.

The Exceptional Education Trust: a company limited by guarantee

Company registration number: 10014175

Registered office: Norlington School and 6th Form, Norlington Road, London E10 6JZ

Extract from section 178 of the Charities Act 2011**178 Persons disqualified for being trustees of a charity**

1 A person (“P”) is disqualified from being a charity trustee or trustee for a charity in the following cases—

Case A

P has been convicted of any offence involving dishonesty or deception.

Case B

P has been adjudged bankrupt or sequestration of P's estate has been awarded and (in either case)—

- a) *P has not been discharged, or*
- b) *P is the subject of a bankruptcy restrictions order or an interim order.*

Case C

P has made a composition or arrangement with, or granted a trust deed for, creditors and has not been discharged in respect of it.

Case D

P has been removed from the office of charity trustee or trustee for a charity by an order made—

- a) *by the Commission under section 79(2)(a) or by the Commission or the Commissioners under a relevant earlier enactment (as defined by section 179(5)), or*
- b) *by the High Court*

on the ground of any misconduct or mismanagement in the administration of the charity for which P was responsible or to which P was privy, or which P's conduct contributed to or facilitated.

Case E

P has been removed, under section 34(5)(e) of the Charities and Trustee Investment (Scotland) Act 2005 (asp 10) (powers of the Court of Session) or the relevant earlier legislation (as defined by section 179(6)), from being concerned in the management or control of any body.

Case F

P is subject to—

- a) *a disqualification order or disqualification undertaking under the Company Directors Disqualification Act 1986 or the Company Directors Disqualification (Northern Ireland) Order 2002 (SI 2002/3150 (N.I.4)), or*
- b) *an order made under section 429(2) of the Insolvency Act 1986 (disabilities on revocation of county court administration order).*

Appendix 3 Reserved Matters

The Reserved Matters are:

- 1 to change the name of the Academies or the Academy Trust;
- 2 to change the Objects (which would require Charity Commission and Secretary of State consent in any event);
- 3 to determine the educational character, mission or ethos of the Academies;
- 4 to change the structure of the Board of Directors or the constitution and terms of reference of any committee of the Board of Directors;
- 5 to alter or amend the Articles of Association or this Scheme;
- 6 to pass a resolution to wind up an Academy or the Academy Trust;
- 7 to establish a trading company;
- 8 to sell, purchase, mortgage or charge any land in which the Academy Trust has an interest;
- 9 to approve the annual estimates of income and expenditure (budgets) and major projects;
- 10 to appoint auditors and investment advisers;
- 11 to sign off the annual accounts;
- 12 to appoint or dismiss the Finance Manager, the Principals/Head teachers, the Company Secretary or the Clerk to the Directors;
- 13 to settle the division of executive responsibilities between the Directors on the one hand and, the Principals/Head teachers and the Finance Manager on the other hand and to settle the division of executive responsibilities between those individuals;
- 14 to do any other act which the Funding Agreement expressly reserves to the Board of Directors or to another body (including for the avoidance of doubt, terminating the Funding Agreement or any part thereof);
- 15 to do any other act which the Articles of Association expressly reserve to the Board of Directors or to another body; or
- 16 to do any other act which the Board of Directors determine to be a Reserved Matter from time to time.

Appendix 4

Overview of Levels of delegation based upon 'Proven Confidence'.

*Key Areas

- Quality of leadership and operational effectiveness (including expected performance)
- Commitment to the aims and values of The Exceptional Education Trust
- Parental choice

Level	Most likely assessment of Performance	Governance and Monitoring	Operational Control
1	<p>Ofsted Rating Outstanding</p> <p>Academic Performance Outstanding/No Weaknesses</p> <p>Budget & Finance Overall and in year budget in surplus</p> <p>Key Areas* No Concerns</p>	<p>Full Delegation</p> <ul style="list-style-type: none"> • LGB strategic decision making power. • Standard School Monitoring and report structure 	Standard Support Systems
2	<p>Ofsted Rating Good</p> <p>Academic Performance Good to Outstanding with No Significant Weaknesses</p> <p>Budget & Finance Overall and in year budget neutral/surplus with no future concerns</p> <p>Key Areas* No Concerns</p>	<p>Full Delegation</p> <ul style="list-style-type: none"> • LGB retains strategic decision making power. • Standard School Monitoring and report structure. 	Standard Support Systems
3	<p>Ofsted Rating Good</p> <p>Academic Performance Good with some minor weaknesses</p> <p>Budget & Finance Overall and in year budget neutral/surplus with no future concerns</p> <p>Key Areas* Some Concerns</p>	<p>Full Delegation following agreement of action plan with Standard monitoring</p> <ul style="list-style-type: none"> • LGB retains strategic decision making power following agreement of action plan with Directors/ Audit, Finance and Resource Committee. • Standard School Monitoring and report structure. 	<ul style="list-style-type: none"> • Action Plan to include appropriate formal links with schools/external agencies. • Action Plan to be agreed with identified support partner (possibly CEO if appropriate).
4	<p>Ofsted Rating Good</p> <p>Academic Performance RI/Good with Some Significant Weaknesses</p> <p>Budget & Finance Overall and in year budget neutral with no future concerns</p> <p>Key Areas* Some Concerns</p>	<p>Full Delegation following agreement of action plan with increased monitoring</p> <ul style="list-style-type: none"> • LGB retains strategic decision making power with Action Plan to be agreed by appropriate Directors/ Audit, Finance and Resource Committee and Executive Principal. • Standard School Monitoring and report structure supplemented by focused reporting in areas of concern. 	<ul style="list-style-type: none"> • Executive Principal installed with key oversight of key areas of concern. • Action Plan to be linked to support with appropriate formal links created with schools/ external agencies.

5	<p>Ofsted Rating Requires Improvement</p> <p>Academic Performance RI with Some Significant Weaknesses</p> <p>Budget & Finance Significant future concerns and/or audit compliance and/or in year deficit</p> <p>Key Areas* Some Concerns</p>	<p>Limited delegation with significantly increased monitoring</p> <ul style="list-style-type: none"> • Chair of LGB meets with Directors/Audit, Finance and Resource Committee. • LGB issued with formal Notice to improve letter setting out key areas and timescales for improvement • LGB meetings to be attended by Executive Principal. • Action Plan to be agreed by Directors/Audit, Finance and Resource Committee and Executive Principal. • Standard School Monitoring and report structure supplemented by focused reporting in areas of concern by external advisor. 	<ul style="list-style-type: none"> • CEO/COO/Executive Principal oversight of key areas of concern, working with the LGB and Principal on overall strategic plan and operation delivery • Action Plan to be linked to support with appropriate formal links created with schools/ external agencies.
6	<p>Ofsted Rating Requires Improvement</p> <p>Academic Performance RI with Some Significant Weaknesses</p> <p>Budget & Finance Immediate and significant financial/audit concerns</p> <p>Key Areas* Significant Concerns</p>	<p>Very limited delegation with significantly increased monitoring</p> <ul style="list-style-type: none"> • Director (or appropriate representative) installed as Chair of Governors • School and LGB issued with a final Notice to improve clearly linked to targets. • Updates on progress towards agreed targets submitted to Directors (or identified Director Group) every 2 weeks by external advisor. • Key decisions/actions on to be agreed with Directors. 	<ul style="list-style-type: none"> • CEO/COO/Executive Principal oversees all areas/key operational decisions of the school. • Action Plan to be linked to support with appropriate formal links created with schools/ external agencies.
7	<p>Ofsted Rating Inadequate/ Requires Improvement</p> <p>Academic Performance RI or worse with significant Weaknesses</p> <p>Budget & finance Immediate and significant financial/audit concerns</p> <p>Key Areas* Significant Concerns</p>	<p>Removal of all delegated powers</p> <ul style="list-style-type: none"> • LGB removed and Interim Executive Board implemented. • Updates to Directors every 2 weeks. 	<ul style="list-style-type: none"> • CEO/COO/Executive Principal oversees all areas/key operational decisions of the school. • Action Plan to be linked to support with appropriate formal links created with schools/ external agencies.

Appendix 5 – Academy Performance Monitoring systems

Standard School Monitoring is defined as;

Annual Strategic Review Monitoring and reported by External to Trust mechanisms

- Full Annual Trust and Ofsted Review (led by external Ofsted trained reviewer)
- Academy Statutory Compliance review (including Child protection and Safeguarding procedures, curriculum and website)
- Financial Audit
- Building Audit (including Statutory compliance, health and safety)

Monitored through Internal to Trust mechanisms (although external mechanisms also available if deemed appropriate)

- SMSC/PSHEE review
- Teaching and Learning Quality Assurance Review (Assessment of Quality of internal lesson observation and systems)
- Academic Performance Review (September Review using Trust analysis systems and FFT/RaiseOnLine Final review using published data)

In year Operation Review Reported by each School and monitored by the Trust

- 6 weekly Dashboard updates on key Performance Indicators in the agreed format including;
 - Academic performance (all Year groups)
 - Attendance and Punctuality
 - SMSC (including the promotion of British Values) activity
 - Culture for Learning and Behaviour (including Learning support usage, exclusions, inappropriate usage of ICT etc.)
 - Bullying
 - Parental engagement
 - Student and parent feedback (Questionnaires etc.)
 - Quality of Teaching and Learning
 - Enrichment and school Trips
 - Staff Training
 - Staff Recruitment/Changes
 - Operational Health and Safety (Fire Drill etc.)
- 6 weekly progress report against Academy targets
- Financial updates (Monthly)
- Building including (Monthly)

Further monitoring

Where areas of serious concern are present as defined by the Levels of Delegation 1 to 4 further more focused and intense monitoring will take place.

This will be design around three parameters;

- Frequency of monitoring
- Breadth and depth of monitoring
- Internal/external to school nature of monitoring

It is likely that a school at Level 3 or below will have a review an external at least review every term unless significant evidence that provides authentic confidence is provided by the [LGB], school leadership that is corroborated by any assigned advisor and Executive Principal

Appendix 6

Principles and Guidelines related to Conflict of Interest

The Trust recognises the importance of managing possible conflicts of interest in all matters. The Trust will follow a 3 step approach identify, prevent and record to ensure the Trust is fully compliant with all Charitable responsibilities and duties.

- **Identify:** The Trust will adopt a standard agenda item at the beginning of each trustee meeting to allow trustees to declare any actual or potential conflicts of interest. This will work alongside a Conflicts of Interest Policy that;
 - outlines to existing trustees how to identify and disclose conflicts of interest
 - helps prospective trustees identify possible conflicts of interest before they're appointed
 - outlines the procedure for maintaining an up to date register of interests.

- **Prevent:** Where a conflict of interest is identified appropriate action, dependent on seriousness of the conflict, may include;
 - finding an alternative way forward which doesn't involve the conflict of interest
 - taking appropriate steps to manage the conflict. This could mean that the person affected doesn't take part in discussions about the issue.

- **Record:** A written record of the conflict of interest and how it was dealt with will be clearly outlined in the minutes of the meetings. This will include;
 - the nature of the conflict of interest
 - which trustee or trustees were affected
 - if any conflicts of interest were declared in advance
 - an outline of the discussion
 - if anyone withdrew from the discussion
 - how the Directors/trustees made the decision in the best interests of the Trust