

PERRYFIELDS ENTERPRISE ACADEMY TRUST

SCHEME OF GOVERNANCE MANAGEMENT AND DELEGATION

1 Introduction

- 1.1 This Scheme of Governance, Management & Delegation (the “Scheme”) has been made by the Directors (the “Directors”) of PERRYFIELDS ENTERPRISE ACADEMY TRUST (the “Academy Trust”) in exercise of the powers conferred on them by Articles 105 and 137 of the Academy Trust’s Articles of Association (the “Articles”).
- 1.2 The purpose of the Scheme is to set out a framework under which the Academy Trust is governed and managed, and in particular:
- 1.2.1 how the Directors work together effectively
 - 1.2.2 the relationship between the Directors, the local governing bodies (the “LGBs”) and the senior leadership team
 - 1.2.3 how the Directors ensure compliance with the various legal and regulatory requirements placed on them
- 1.3 This Scheme shall be reviewed by the Directors annually, and in the context of such a review, the Directors shall have regard to any new legislation or guidance affecting the provisions of these documents.
- 1.4 This Scheme may be altered, added to or repealed by a majority resolution of the Directors or by the members (the “Members”) of the Academy Trust in a general meeting.
- 1.5 A copy of this Scheme shall be given to the Members of the Academy Trust, every Director, each Local Governor, the Headteachers of the Academies operated by the Academy Trust, the Clerk and the Internal Auditor now and in the future on appointment.

2 The Academy Trust

- 2.1 The Academy Trust is responsible for Perryfields Junior School and any schools that join the Academy Trust in the future (the “Schools” in this document but referred to as the “Academies” in the Articles of Association).
- 2.2 The Academy Trust has entered into a Master Funding Agreement (MFA) and separate Supplementary Funding Agreements (SFA) for each school under Section 1 of the Academies Act 2010 with the Secretary of State for Education in relation to the funding of the Academies (together, the “Funding Agreement”).
- 2.3 The Funding Agreement places a number of requirements on the Academy Trust including the requirement to comply with the Education Funding Agency’s (the EFA) Academies Financial Handbook.
- 2.4 There are a number of roles involved in the running of a multi-academy trust and these are as follows:-
- 2.4.1 the Members
 - 2.4.2 the Directors
 - 2.4.3 the LGBs: each school has an LGB formed by the Directors as a committee of the Directors. The members of the LGBs are called “Local Governors”
 - 2.4.4 the Executive Headteacher/CEO
 - 2.4.5 the Headteacher/Head of School of each Academy who have responsibility for the day to day running of that Academy

3 **Members**

3.1 **The Role of the Members**

- 3.1.1 The Members are members of the Academy Trust for the purposes of the Companies Act
- 3.1.2 In simple terms, the Members “own” the Academy Trust. 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 9 Directors under the Articles.
- 3.1.3 The Members do not have any specific duties imposed on them but they are required to provide a guarantee that if the Academy Trust is wound up and its assets do not meet all of its liabilities, they will contribute £10 each.
- 3.1.4 The Members will often meet just once a year (at an Annual General Meeting if one is required), if the Academy Trust decides that one is necessary or they may just meet as and when required (for example if any amendments to the Articles are required).
- 3.1.5 Members are not expected to attend any other meetings unless specifically requested by the Directors.

3.2 **The Appointment of the Members**

- 3.2.1 Members are appointed in accordance with Articles 12 and 18 of the Articles.
- 3.2.2 On appointment, all Members shall be required to complete a consent to be a member form (attached at Appendix 1). The Chief Financial Officer shall update the register of Members as appropriate. Companies House does not need to be notified of appointments or removals/resignations of Members but the EFA must be notified within 14 days of the change.

4 **Directors**

4.1 **Capacity of Directors**

- 4.1.1 Each Director is:
 - (a) a Director of the Academy Trust at company law. The Directors are responsible for the governance and supervision of the Academy Trust and its committees (including LGBs) and executives (including Headteachers)
 - (b) a charity Director with responsibility for protection of the assets of the Academy Trust
- 4.1.2 The Directors manage the affairs of the Academy Trust and are responsible for its day to day operation.

4.2 **The Appointment of Directors**

- 4.2.1 The Directors shall be appointed in accordance with Articles 45 to 80 of the Articles.
- 4.2.2 On appointment, all Directors shall be required to:
 - (a) complete a Director declaration (attached at Appendix 2)
 - (b) complete an APO1 form for submission by the Company Secretary to Companies House (either in paper form or electronically)
- 4.2.3 The Trust’s Chief Financial Officer shall update the register of Directors in the statutory books.

4.3 Constitution of the Board of Directors (the “Board”)

- 4.3.1 The Articles require there to be a minimum of three Directors and up to a maximum of 9.
- 4.3.2 The constitution of the Board is set out in the Articles. The Board is constituted as follows:-
- (a) a minimum of 3 directors up to 9 Directors appointed by Members
 - (b) the Executive Headteacher
 - (c) a minimum of 2 Parent Directors unless the Local Governing Bodies each include at least two Parent Governors
 - (f) The Board, excluding any co-opted director, may appoint co-opted directors in accordance with the Articles. A co-opted director's term of office shall (subject to appointment by the Members or re-election by the Board) end at the conclusion of the academy financial year in which he is appointed. A "**co-opted director**" means a person who is appointed to be a director by being co-opted by directors who have not themselves been so appointed. The directors may not co-opt an employee of the company as a co-opted director if thereby the number of directors who are employees of the company would exceed one third of the total number of directors.
- 4.3.3 The Directors may, with reference to the size of the Board of Directors, appoint Academy Headteachers and/or Chairs of Local Governing Bodies to the Board as Directors; this decision may be dependent on an Academy achieving, and maintaining, a category of Good or Outstanding.
- 4.3.4 In accordance with the Articles, the Directors shall elect a Chairman and Vice Chairman from among their number each academic year.

4.4 Meetings of the Board

- 4.4.1 The Directors shall hold at least six meetings in every school year of the full board. Meetings will be held as agreed by the Board and the dates published at the beginning of each academic year.
- 4.4.2 All meetings of the Directors shall be convened and conducted as provided by the Articles.
- 4.4.3 Each meeting of the Directors shall, in respect of each Academy and the Academy Trust, cover the following:-
- (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
 - (iii) educational standards
 - (iii) assets
 - (iv) premises

- 4.4.4 Such matters determined above may be delegated to Trust Committees (see Sections 4.7 and 6)
- 4.4.4 In consultation with the Chairman, the Clerk to the Board of Directors and any other interested party shall prepare an annual plan for the meetings of the Directors.

4.5 Accountability of Directors

- 4.5.1 The Directors are chiefly accountable to:
- (a) the beneficiaries of the Academy Trust (pupils at the schools and their parents) and to the local community for the quality of education and pastoral care at the schools, for matters of health and safety and for safeguarding and promoting the welfare of the pupils
 - (b) the DfE, the EFA and specifically the Secretary of State for Education under the terms of the Funding Agreement
 - (c) the Secretary of State (in his role as principal regulator in respect of charity matters) for operating the Academy Trust for the public benefit, for the prudent management of the Academy Trust and its financial efficiency, and for compliance with legislation including charities legislation
 - (d) 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
 - (e) other regulatory authorities for compliance with regulated responsibilities to which the Academy Trust and the Academies are subject.

4.6 Powers, Functions and Responsibilities of Directors

- 4.6.1 The business of the Academy Trust shall be managed by the Directors, fulfilling a largely strategic role, who may exercise all of the powers of the Academy Trust, as set out in the Articles.
- 4.6.2 The Directors shall set the strategic direction and vision of the Academy Trust. The Directors shall ensure that each school within the Trust aligns its own direction and vision with that of the Trust
- 4.6.3 As Directors of the company and charity Directors, the Directors have a number of duties as responsibilities towards the management of the Academy Trust and its finances. In summary, the Directors are responsible for:-
- (a) carrying on the Academy Trust in accordance with the objects of the Academy Trust as set out in the Articles and safeguarding its assets
 - (b) running the Academies and directing the education, pastoral care, financial and other policies of the Academies in accordance with the Articles and the Funding Agreement (including the Academies Financial Handbook)
 - (c) ensuring sound management and administration of the Academy Trust and ensuring that managers are equipped with the relevant skills and guidance
 - (d) financial controls and the financial management of the Academy Trust in accordance with the provisions of the Academies Financial 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

- (e) setting standards of conduct and values, monitoring performance and the achievement of objectives, and ensuring that plans for improvement are acted upon
- (f) risk management, that is identifying, quantifying and devising systems to minimise the major risks affecting the Academy Trust
- (g) ensuring the Academy Trust and the Academies are conducted in compliance with the general law

4.6.4 The Directors are required to:

- (a) act together and in person and not delegate overall responsibility for the Academy Trust to others
- (b) act strictly in accordance with the Academy Trust's Articles
- (c) act in the Academy Trust's interests only and without regard to their own private interests
- (d) manage the Academy Trust's affairs prudently
- (e) not take personal benefit from the Academy Trust unless expressly authorised by the Articles or the Charity Commission
- (f) take professional advice on matters on which they are not themselves competent

4.6.5 The Directors should also hold the Executive Headteacher and the Headteachers accountable. They should offer support, constructive advice, be a sounding board for ideas, a second opinion on proposals and help where needed, but will also challenge, ask questions, seek information and improve proposals where appropriate and, at all times, act in the best interests of the Academy Trust.

4.6.6 The Directors shall have regard to the common 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).

4.6.7 The Directors shall have regard to the Academies Financial Handbook which shall be circulated to all Directors.

4.7 Delegation of Powers of Directors

4.7.1 The Directors may delegate such of their powers or functions that they can legally delegate and which they consider would be desirable to delegate.

4.7.2 The Directors must not delegate any of their powers listed in Appendix 3 (the "Reserved Matters").

4.7.3 Delegation can be made to

- (a) Academy Trust committees (committees with functions related to the Academy Trust) including a Finance Committee whose remit includes the usual auditing functions
- (b) the LGBs
- (c) any Director holding executive office
- (d) the Headteachers
- (e) The Chief Finance Officer

4.7.4 However, every act of delegation shall be a delegation of powers and duties and not a delegation or shedding of responsibilities

4.8 Risk Management

- 4.8.1 The charities statement of recommended practice (the statement of accounting practice which charities must comply with) and Charities (Accounts and Reports) Regulations as amended annually) require the Directors to make a statement in their annual report that 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.
- 4.8.2 The Directors are therefore responsible for:
- (a) identifying the major risks that apply to the Academy Trust including
 - Operational risk (employment issues, health and safety, fraud, service quality and development etc)
 - Financial risks (accuracy of financial information, cash flow, reserves, over-reliance on funding sources etc)
 - External risks (changes in government policy, economic factors, demographic changes, adverse publicity etc)
 - Regulatory risks (compliance with legislation, changes in policies of the regulators etc)
 - (b) making decisions (based where appropriate on advice from professional advisors) as to how to respond to those risks
 - (c) making appropriate statements regarding the management of risks in the annual report
- 4.8.3 The Board of Directors shall prepare and approve:
- (a) a risk management strategy
 - (b) a contingency and business continuity plan
 - (c) a fraud policy
 - (d) a whistleblower policy
- 4.8.4 The Audit Committee shall prepare a risk register for approval by the Board of Directors and LGB, together with nominated Directors and the Chief Financial Officer; 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.

4.9 The Management of Conflicts of Interest

- 4.9.1 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:
- All business and financial interests such as Directorships, shareholdings and other appointments of influence within a business or other organisation
 - 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
- 4.9.2 The Company Secretary shall be responsible for maintaining a register of business interests including nil returns.
- 4.9.3 Each meeting of the Directors shall include a standing agenda item for those attending to declare any changes to their declarations of interest.

- 4.9.4 No Directors 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 from the Executive Chair.

5 The Clerk to the Board

- 5.1 The Clerk is appointed and removed by the Directors
- 5.2 The Clerk shall not be a Director or a Headteacher of an Academy. However, if the Clerk fails to attend a meeting of the Directors, the Directors may appoint any one of their number or any other person to act as Clerk for the purposes of that particular meeting.
- 5.3 The Clerk is the chief administrator with respect to the Academy Trust's administration affairs.

6 Committees

- 6.1 The Directors may appoint 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.
- 6.2 Each committee shall be chaired by a Director (except for an LGB or committee thereof).
- 6.3 Membership of a committee may include persons who are not Directors provided that a majority of the committee are Directors.
- 6.4 Except in the case of an LGB or a committee thereof, no vote on any matter shall be taken at a meeting of a committee of the Directors unless the majority of the members of the committee are Directors.
- 6.5 The Directors shall ensure that they receive adequate feedback on the work of any committees.
- 6.6 Committees will act in an advisory capacity to the Directors except where powers have been specifically delegated to them by the Directors. The specific committees to be appointed are as follows:-
- 6.6.1 Trust Audit, Finance & Personnel Committee
 - 6.6.2 Local Governing Body
 - 6.6.3 LGB Pay Committee
 - 6.6.4 xxxx
- 6.7 The terms of reference of each committee of the Directors must be approved by the full Board of Directors and reviewed at least annually. They provide the sole agreed framework within which each committee operates.

7 Local Governing Bodies

- 7.1 The Funding Agreement requires the Board of Directors to establish an LGB in respect of each school to provide advice to the Directors on the functioning of that school.
- 7.2 Membership of the LGB must include a minimum of two elected parents of pupils at the school.
- 7.3 The LGB is a committee of the Board and it operates under terms of reference. These terms of reference will confirm that powers the Directors have delegated to the LGB.
- 7.4 The LGB is made up of individuals who may nor may not also be Directors.
- 7.5 Each LGB shall compromise as a minimum:
- 7.5.1 the Headteacher of the Academy
 - 7.5.2 2 elected parents/carers of pupils at the school
 - 7.5.3 2 elected members of staff, 1 teaching, 1 non-teaching employed by the school
 - 7.5.4 a minimum of 5 local (Trust) governors appointed by the Directors

- 7.6 Each LGB shall have a chairman and a vice chairman appointed by the Directors (as recommended by the LGB).
- 7.7 The length of service of all Local Governors (including the Chair and the Vice Chair) shall be four years, renewable for a further term of four years; this may be set at less but only with the approval of the Board of Directors. Existing governors at a school before it converts to an Academy within the Academy Trust may be permitted (at the discretion of the Directors) to serve out the balance of their term as a Local Governor. It is, however, common practice for the terms of all governors to start again as of the date of conversion to academy status
- 7.8 The functions and proceedings of the LGBs shall be subject to regulations (the 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.
- 7.9 All Academy appointed governors should be nominated by the LGB for approval of the Directors. In making such nominations the evidence that LGBs have focused on acquiring the skills and experience that LGB needs to be effective, will need to be demonstrated.

8 Chief Financial Officer

- 8.1 The Directors shall appoint a Chief Financial Officer in accordance with the Academies Financial Handbook.
- 8.2 In accordance with the Handbook, the Chief Financial Officer is responsible for, along with a wider remit, the following responsibilities:-
- 8.2.1 the day to day management of financial issues
 - 8.2.2 the preparation and management of the Academy Trust's budget
 - 8.2.3 the maintenance of effective systems of internal control
 - 8.2.4 ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the Academy Trust

9 Financial regulations manual

- 9.1 The Finance Regulations, which shall be prepared by the Chief Financial Officer, shall be adopted by the Directors, normally on the recommendation of the Audit Committee.
- 9.2 The purpose of the Finance Regulation 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.
- 9.3 The Finance Regulations shall include:
- 9.3.1 finance authorisation levels which shall confirm the delegation of authority to key individuals up to a specified value
 - 9.3.2 appropriate procedures to monitor cash requirements to ensure that the Academy Trust will not become overdrawn
 - 9.3.3 a competitive tendering policy for larger purchases in accordance with the Academies Financial Handbook
 - 9.3.4 a capitalisation limit for assets
- 9.4 The Chief Financial Officer shall be responsible for preparing a policy for the disposal of assets for approval by the Board of Directors with a view to ensuring the best possible value which is obtained from any disposal.

10 Budget approval

- 10.1 The Directors shall be presented with a balanced budget for the year to 31 August for submission to the EFA by 31 July or within six weeks of receipt of the final funding letter (NB the EFA's deadlines and requirements are subject to change).
- 10.2 The Chief Financial Officer shall be responsible for:
- 10.2.1 establishing a written procedure and timetable for setting a budget in advance of each academic year
 - 10.2.2 setting the annual budget (including the assumptions on which it is based) for approval by the Directors and for monitoring progress against during the year
 - 10.2.3 ensuring that all significant on year amendments to budgets are properly notified to the Directors for approval (the Audit Committee shall determine the appropriate thresholds and procedures for this)
 - 10.2.4 reporting to the Directors on the accuracy of the assumptions which had been used
 - 10.2.5 reporting to the Directors on the key financial performance indicators included in the budget
- 10.3 The Directors shall be responsible for approving the final audited accounts and the Academy Trust's accounting policies as set out therein.
- 10.4 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.

11 The Headteachers of the Academies

- 11.1 The Directors shall appoint the Headteachers / Heads of School of each Academy.
- 11.2 The Headteachers are responsible to the Directors for:
- 11.2.1 the internal organisation, management and control of his or her respective school.
 - 11.2.2 the implementation of all policies approved by the Directors that relate to his or her respective school.
 - 11.2.3 the direction of the teaching and implementation of the curriculum at his or her respective schools.
- 11.3 The Directors may delegate such additional powers and functions as they consider are required by each of the Headteachers to enable them to carry out the above responsibilities.

12 The Accounting Officer

- 12.1 The Executive Headteacher shall have the role of Accounting Officer as set out in the Academies Financial Handbook.
- 12.1.1 The Accounting Officer is personally responsible to the Directors for ensuring:
- (a) regularity and propriety, that is 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
 - (e) the day to day organisation, staffing and management of the Academy

- 12.1.2 Included in the responsibilities of the Accounting Officer is a duty to take appropriate action if the Board of Directors (or an LGB) or the Chair is contemplating a course of action that 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.
- 12.1.3 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 Directions which is issued annually.
- 12.1.4 The Accounting Officer may delegate or appoint others, such as the Chief Financial Officer, to assist in carrying out these responsibilities.

13 Staff appointments and Performance Management

- 13.1 The Executive Headteacher, Chief Financial Officer and the Headteachers / Heads of School shall be appointed by the Directors.
- 13.2 The Senior Leadership Team at each school shall be appointed by the Directors or by delegated authority to the LGB, following consultation with the respective Headteacher.
- 13.3 The teaching staff at the schools shall be appointed by the respective Headteacher following consultation with the LGB.
- 13.4 The non-teaching staff at the schools shall be appointed by the respective Headteacher who will consult with the LGB when appropriate.
- 13.5 The performance management of the Headteachers shall be carried out by the Headteachers' Performance Management Review panels at their respective Academies. The panel shall include at least one Director and where possible the same director will be used on each panel to ensure continuity across all PEAT schools.
- 13.6 The Headteachers' salaries will be determined by the Trust Headteachers' Pay Committee. This committee will include the Director who attends the LGB Headteacher's Performance Management Review Panels
- 13.7 The performance management of all other employees, including the Chief Financial Officer, will be carried out by the Executive Headteacher or the Headteachers who may delegate to appropriate managers. The Headteachers shall be responsible for making pay recommendations to the Pay Committees of their respective school. Once agreed, these recommendations will be included in a signed statement by the Chairs of the LGBs, confirming that the due process has been carried out and that these decisions are being recommended for approval by the Trust's Pay Committee. No notification of any salary progression decisions may be made to staff until the Trust's Pay Committee has met and approved the recommendations.
- 13.8 The Academy Trust is responsible (through the LGBs) for establishing a written performance policy to govern implementation of teacher and support performance management following consultation with staff. Such consultation may be carried out by the Headteachers on behalf of the Academy Trust.
- 13.9 The Academy Trust must review the performance management policy annually.
- 13.10 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 advisor.

14 Interpretation

- 14.1 Words and expressions defined in Article 1 of the Articles shall have the same meaning in this Scheme unless the context requires otherwise excepting that all individual academies, as defined in the Articles of Association, are referred to in the Scheme of Governance and Scheme of Delegation as schools
- 14.2 No provision of this Scheme may be inconsistent with or shall repeal anything contained in the Articles of the Academy Trust.
- 14.3 The Articles of the Academy Trust and any lawful amendment of them shall take precedence in the event of an inconsistency with this Scheme.
- 14.4 Any reference to a statute includes an amendment or re-enactment of that statute or regulations made under it.
- 14.5 Words in the masculine include the feminine gender 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.

15 Approved version

- 15.1 This Scheme of Governance, Management and Delegation was approved and adopted by a resolution of the Directors passed at a meeting held on ~~xxxxx~~ and takes effect from that same date.

16 Date of next review

- 16.1 This Scheme shall be reviewed by the Directors annually.