Durrington Multi Academy Trust - Scheme of Delegation (SoD)

October 2020

Multi Academy Trust Board Scheme of Delegation

Introduction

A multi academy trust's (MAT) board of trustees is accountable in law for all major decisions about their academies. However, this does not mean that the board is required to carry out all the trust's governance functions and many can and should be delegated, including to the CEO, the board's committees, and to academy committees. It is vital that the decision to delegate a function is made by the full board of trustees and is recorded. Without such delegation, the individual or committee has no power to act.

A scheme of delegation (SoD) is the key document defining the lines of responsibility and accountability in a MAT. It should be a simple yet systematic way of ensuring that the members, trustees, board committees, academy committees, executive leadership and academy headteachers are all clear about their roles and responsibilities. This overarching SoD for all decision making in the trust should not be confused with the written scheme of delegation of financial powers referred to in the Academies Financial Handbook.

Once determined the SoD must be published on the trust and its schools' websites.

The status of a scheme of delegation

Some governing bodies join MATs assuming that they will continue to function as they did when the governing body of a maintained school. However, even if on joining they are known as the local governing body (LGB), this body will in fact be a committee appointed by the board, and the board has the power to appoint and remove committees at any time, be it a board committee or an academy committee.

Academy committee functions are likely to be different to those of the maintained school governing body, and in some cases are much reduced. A detailed yet clear SoD will prevent confusion from arising before any misunderstanding develops and leads to a loss of trust and damaged working relationships.

A scheme of delegation must be fit for purpose which means it demonstrates clearly the lines of accountability. Where there is duplication or overlap, questions should be asked as workload issues may develop (e.g. the need to produce reports for and attending meetings of more than one layer of governance) and cracks can develop as assumptions are made about who is responsible for what with the result that decisions are either not made or different decisions are reached by different people or committees.

Format, structure and clarity

While scheme of delegation will vary from trust to trust depending on size, structure and geographical spread, there are basic principles to follow. The SoD aims to clarify decision making and lines of accountability in a simple, succinct and clear format and as such includes:

- A structure diagram which shows the layers of governance and lines of accountability
- A short paragraph of text which describes the structure
- Narrative on roles and responsibilities
- A grid format, with columns for each layer of governance which enables stakeholders to quickly determine who is responsible for each strategic decision within the trust. The grid is in four key areas to reflect both the governance framework and the three core functions of the governing board:

  1. The governance framework:
     a.   People
     b.   Systems and structures
     c.   Reporting
  2. Being strategic
  3. Holding to account
  4. Ensuring financial probity

The SoD is a working document that the trust board and executive leaders should be able to revise and adapt in response to their context and circumstances.
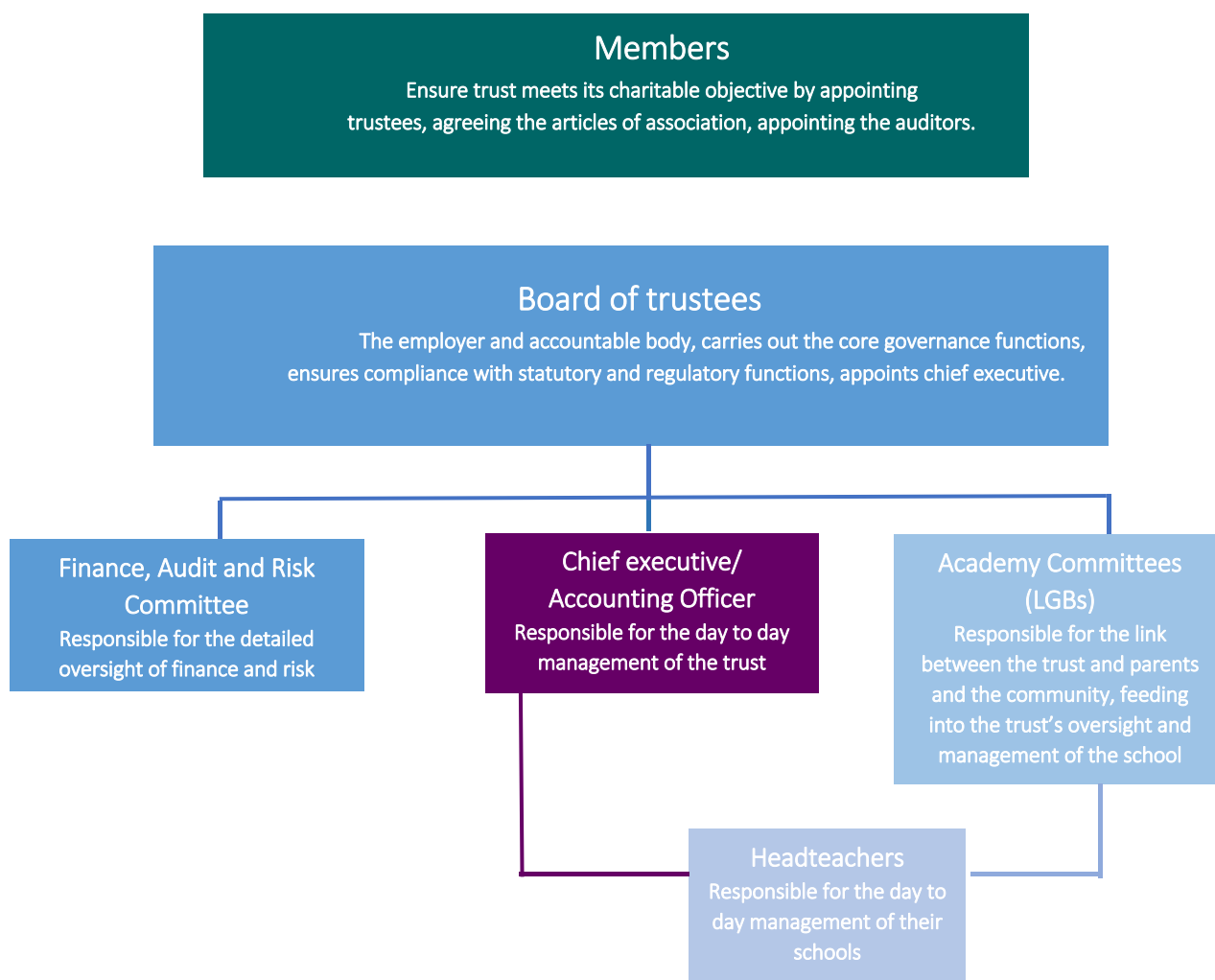
Review and adapt

As MATs mature and grow the workings of the MAT, both in terms of governance and management are likely to change. The SoD should be reviewed annually, with changes made as the context changes, if necessary each year. This is not a failure, but recognition of the need to be responsive to changing circumstances and to adapt accordingly. It is, however, important to ensure that all involved in governance are made aware of any changes and what these mean in practice.

An effective scheme of delegation will:

- Reflect the trust's ethos, promoting a positive climate and a culture of honesty, transparency and accountability for the benefit of all stakeholders.
- Ensure the executive leadership is clear about which decisions the trust board retains and the extent of executive powers.
- Be clear about who appoints and performance manages the chief executive, other senior executives and the schools' headteachers.
- Identify where the trust board retains responsibility for:
- determining policy
- management of risk
- oversight of budgets and financial management
- oversight of educational performance

Delegation to academy committees

Members
Ensure trust meets its charitable objective by appointing
trustees, agreeing the articles of association, appointing the auditors.

Board of trustees
The employer and accountable body, carries out the core governance functions,
ensures compliance with statutory and regulatory functions, appoints chief executive.

Finance, Audit and Risk Committee
Responsible for the detailed oversight of finance and risk

Chief executive/ Accounting Officer
Responsible for the day to day management of the trust

Academy Committees (LGBs)
Responsible for the link between the trust and parents and the community, feeding into the trust's oversight and management of the school

Headteachers
Responsible for the day to day management of their schools

Governance structure and lines of accountability

This model works well when: all schools in the trust are good or better and when trustees have high degree of confidence in local academy governance. The schools must be able to recruit academy committee members who have the knowledge, skills and commitment to carry out the role.

- Three layers of governance:
  1. Members
  2. Trustees
  3. Committees and individuals
- The board of trustees is responsible for the three core governance functions.
- The board of trustees appoint the chief executive (CEO), to whom it delegates responsibility for delivery of its vision and strategy, and will hold the CEO to account for the conduct and

performance of the trust, including the performance of the academies within the trust, and for its financial management.

- In turn, the CEO line manages other senior executives and the academies' headteachers, setting their targets and performance managing them.
- The board constitutes a committee for finance, risk and audit; it looks in detail at resources across the trust. As board committees, at least three trustees must sit on each.
- The board delegates some of its school level monitoring and scrutinising functions to academy committees, and uses these committees to promote stakeholder engagement and as a point of consultation and representation. Trustees do not need to sit on academy committees, and so lines of communication to the board of trustees must be clearly established. It is usual for the CEO to seek input from the chair of the academy committee when undertaking the headteacher's performance management.
- As the headteacher is being line managed by the CEO, the academy committee no longer carries out the governance function of holding the headteacher to account. However they must be confident that the trust's performance management systems are working well, and if not, how they can make the trust aware of their concerns. This arrangement will also affect the academy committee's role in Ofsted inspections.

Roles and responsibilities

The role of the members

- The members of the trust are guardians of the governance of the trust and must ensure it carries out its charitable objective.
- There must be at least three members, although the DfE prefer at least five; members are not permitted to be employees of the academy trust.
- The members agree the trust's articles of association, appoint trustees and appoint the trust's external auditors.
- The members should receive information about the trust's business and receive the annual report and accounts. If they have concerns that the trust is not carrying out its charitable objective, members should remove trustees that are failing to fulfil this responsibility.

The role of the trustees

- The trust is a charitable company and so trustees are both charity trustees (within the terms of section 177(1) of the Charities Act 2011) and company directors (within the terms of the Companies Act 2006).
- Trustees are bound by both charity and company law so the terms 'trustees' and 'directors' are often used interchangeably. The use of trustee also serves to highlight the overarching charitable purpose of the organisation, distinguishing it from other directorships that may be held in the private sector.
- Trustees are responsible for the general control and management of the trust, and in accordance with the provisions set out in the memorandum and articles of association and its funding agreement are legally accountable for all statutory functions and for the

performance of all the schools within the trust; they do this by carrying out the core governance functions.

- The board of trustees must approve a written scheme of financial delegation and if they choose to delegate to board committees and academy committees (LGBs), must approve a written scheme of delegation and committee terms of reference.
- The trust creates information pathways between the trust board, the academy committees (LGBs) and the chief executive so that academy committees (LGBs) can share with them any concerns (or celebrations) they may have.

1. Ensure clarity of vision, ethos and strategic direction
2. Hold the executive to account for the educational performance of the trust's schools and their pupils, and the performance management of staff
3. Oversee the financial performance of the trust and make sure its money is well spent

The board of trustees has the right to review and adapt its governance structure at any time which includes removing delegation.

The role of trust board committees

- Trustees delegate some governance functions to board committees, one of which must include audit and risk which advises on the adequacy of the trust's controls and risks.
- Board committees must have at least three trustees in membership, and trustees must be in the majority for voting purposes; it is usual for the trust board to appoint board committee chairs and committee members according to their skills.
- Most trusts will delegate detailed scrutiny of financial management and school performance to board committees.

The trustees may establish committees to carry out some of its governance functions which may include making decisions, although any decisions made will be deemed decisions of the trust board. The membership (there must be at least three trustees) and responsibilities of board committees are set out in the committee's terms of reference. It is usual for the trust board to appoint board committee chairs and committee members according to their skills.

The role of the academy committees

- Trustees delegate some governance functions to academy committees (LGBs); the articles of association do not require trustee membership of academy committees (LGBs) and by committing to the separation of individuals on each tier in the governance structure, trusts are able to demonstrate transparent decision making and prevent bias and conflicts from emerging, thus strengthening the governance checks and balances within the trust.
- The trust board approves the appointment of the academy committee (LGB) chairs
- Parent representation is at school level with parents elected to sit on the academy committees (LGBs) as opposed to trust wide elections for parent trustees.

Being close to and representative of the community the school serves, the academy committees (LGBs) should be:

- a valued point of consultation and representation in the development of trust policies
- the recipients of detailed information about how their schools are being managed
- tasked with scrutinising management information thus providing assurance to trustees that the school is:
  - operating within the ethos and values of the trust and creating a positive climate for all stakeholders
  - working within agreed policies
  - meeting the agreed targets
  - engaging with stakeholders
  - acting as an ambassador for the trust
- The trust board demonstrates the value they put on local governance by ensuring effective channels of communication between trustees and academy committees (LGBs), as well as providing specific training and development programmes for all involved in the governance of the trust.

As a committee of the board, delegation can be removed at any time.

The role of the chief executive officer (CEO)

The CEO has the delegated responsibility for the operation of the trust including the performance of the trust's academies and so the CEO performance manages the academy headteachers. As there is the delegation of some governance functions to academy committees, this is usually with the academy committee chair alongside.

The CEO is the accounting officer so has overall responsibility for the operation of the academy trust's financial responsibilities and must ensure that the organisation is run with financial effectiveness and stability; avoiding waste and securing value for money.

The CEO leads the executive management team of the academy trust. The CEO will delegate executive management functions to the executive management team and is accountable to the trust board for the performance of the executive management team.

- The trustees delegate the day to day management of the trust to the chief executive, line managing them in line with the trust's appraisal and performance management policies.
- The chief executive is also the accounting officer and so is not only responsible for the performance of the trust as a whole, but has a personal responsibility to parliament for the regularity, propriety and value for money, and for assuring the board about compliance with the funding agreement and the Academies Financial Handbook.
- The chief executive will be responsible for the leadership and management of the central executive team and the schools' headteachers and will report to the trust board and its committees.

The role of the academy headteacher

- The chief executive delegates the day to day management of the trust's schools to headteachers, line managing them in accordance with the trust's appraisal and performance management policies.
- Headteachers share information about how the trust is managing the school with the academy committee (LGB) so that committee members build an understanding about how the school operates and are enabled to monitor and scrutinise how key policies and improvement plans are working in practice.

Variations that could be utilised in the future

Delegation to an intervention board

Some trusts find the use of an intervention board an effective way of managing a school which requires rapid improvement across a range of operational areas as well as to the local governance function. Similar to an interim executive board in a maintained school, an intervention board will generally consist of a small number of senior executives plus one or two non-executives (trustees or academy committee (LGB) members) who will meet very regularly (eg fortnightly or every three weeks or so) to monitor and evaluate agreed actions and to take key decisions. The board should be chaired by the chief executive (or in a large trust, the appropriate senior executive), and its work should be reported directly to the board via the chief executive.

Typically, these boards do not include parents, so it is important that a parent council or similar is established in the school as soon as it is practicable. This is also why any intervention board should be time limited with the aim of establishing a local governance function as soon as possible.

Delegation to hubs or clusters

Large trusts with many schools sometimes utilise a hub or cluster model. These are usually chaired by the senior executive leading and managing the hub or cluster, with a mix of other executives sitting on it as well as academy committee (LGB) representatives.

Key	
Column 1: Members	
Column 2: Board of trustees of the multi academy trust	
Column 3: Trust board finance committee	
Column 4: Chief executive officer	
Column 5: Academy committee	
Column 6: Academy headteacher	
Blue box	Function **cannot** be legally carried out at this level.
✔	Action to be undertaken at this level
✔	Action to be undertaken at this level
A	Provide advice and support to those accountable for decision making
<>	Direction of advice and support

Area	Decision	Members	Trust Board	TB Finance & Audit Committee	CEO	Academy Committee	Academy Headteacher
governance	**Governance framework**						
People	Members: Appoint/Remove	✔					
People	Trustees: Appoint/Remove	✔	✔				
People	Role descriptions for members	✔					
People	Role descriptions for trustees/chair/ specific roles/committee members: agree		✔		<A		
People	Parent trustee/committee member: elected		✔			✔	
People	Board committee chairs: appoint and remove		✔	✔	<A		
People	Academy committee chairs: appoint and remove		✔		<A>	<A	
People	Clerk to board: appoint and remove		✔				
People	Clerk to academy committee: appoint and remove		✔			✔	
Systems and structures	Articles of association: review and agree	✔	<A		<A		
Systems and structures	Governance structure (committees) for the trust: establish and review annually		✔		<A		
Systems and structures	Terms of reference for board committees and scheme of delegation for academy committees: agree annually		✔		<A		
Systems and structures	Skills audit: complete and recruit to fill gaps		✔		<A>	✔	A
Systems and structures	Annual self-review of trust board and committees: complete annually		✔				

Category	Task							
Systems and structures	Annual self-review of academy committees: complete annually						✔	
	Chair's performance: carry out 360 review periodically		✔				✔	
	Trustee / academy committee member contribution: review annually		✔				✔	
	Succession: plan		✔			\<A>	✔	A
	Annual schedule of business for trust board: agree		✔	✔		\<A		
	Annual schedule of business for academy committee: agree					A>	✔	A
Reporting								
Reporting	Publication on trust and schools' websites of all required details on governance arrangements: ensure		✔			\<A	✔	A
	Annual report on performance of the trust: submit to members and publish		✔			\<A		
	Annual report and accounts including accounting policies, signed statement on regularity, propriety and compliance, incorporating governance statement demonstrating value for money: submit		✔	\<A		\<A		
	Annual report work of academy committee: submit to trust and publish						✔	A
Being strategic								
	Determine trust wide policies which reflect the trust's ethos and values (facilitating discussions with unions where appropriate) including: admissions; charging and remissions; complaints; expenses; health and safety; premises management; data protection and FOI; staffing policies including capability, discipline, conduct and grievance: approve		✔	✔		\<A		

Being Strategic							
Determine school level policies which reflect the school's ethos and values to include e.g. admissions; SEND; safeguarding and child protection; curriculum; behaviour: approve		✔		A>	✔	A
Central spend / top slice: agree		✔	<A	<A		
Management of risk: establish register, review and monitor		✔	<A	<A>	✔	A
Engagement with stakeholders	✔	✔	✔	✔	✔	✔
Trust's vision and strategy, agreeing key priorities and key performance indicators (KPIs) against which progress towards achieving the vision can be measured: determine		✔		<A		
Schools vision and strategy, agreeing key priorities and key performance indicators (KPIs) against which progress towards achieving the vision can be measured: determine		✔		A>	A	✔
Chief executive officer: appoint and dismiss		✔				
Academy headteacher: appoint and dismiss				✔	<A	
Budget plan to support delivery of trust key priorities: agree		✔	<A	<A		
Budget plan to support delivery of school key priorities: agree				✔		A
Trust's staffing structure: agree		✔	<A	<A		
School staffing structure: agree				✔		A

Holding to account

Holding to account	Auditing and reporting arrangements for matters of compliance (e.g. safeguarding, H&S, employment): agree		✔	✔	<A>	✔	A
	Reporting arrangements for progress on key priorities: agree		✔	<A	<A>	✔	A
	Performance management of the Chief Executive Officer: undertake		✔				
	Performance management of academy headteacher: undertake				✔	A	
	Trustee monitoring: agree arrangements		✔		<A		
	Academy committee member monitoring: agree arrangements					✔	A
	Academy committee overall performance monitoring: agree arrangements		✔		<A		
Ensuring financial probity							
Ensuring financial probity	Appoint Director of Finance for delivery of trusts detailed accounting processes		✔	<A	<A		
	Trust's scheme of financial delegation: establish and review		✔	✔	<A		
	School's scheme of financial delegation: establish and review			✔	<A		

Ensuring financial probity	External auditors' report: receive and respond		✔	<A	<A	✔	A
	CEO pay award: agree		✔				
	Academy teacher pay award: agree				✔	A	
	Staff appraisal procedure and pay progression: review and agree		✔		✔		
	Benchmarking and trust wide value for money: ensure robustness			✔	<A		
	Benchmarking and academy value for money: ensure robustness					✔	A
	Develop trust wide procurement strategies and efficiency savings programme				✔		
	Review and approve trust wide procurement strategies and efficiency savings programme			✔			