

Governance structures: multi academy trusts

NGA model schemes of delegation

Model 1: Delegation to local governing committees



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Multi Academy Trust Board Scheme of Delegation

Introduction

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

What functions the board decides to delegate will vary depending upon the size of the MAT and the way in which its leadership is structured, often taking into account shared ethos, geographical spread and the number of pupils in the MAT's schools. As a general rule, the larger the MAT, the more likely the need will be to delegate to governance committees. It is also possible for a MAT to mix models, for example delegating to both local governing committees and cluster governing committees.

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

When using this model scheme of delegation it is important to bear in mind that the suggested model will not necessarily be appropriate for your trust – even when operating under a similar circumstances. Governance and management in groups of schools is complex and so the models are designed to show how a scheme of delegation need not detail every single decision that will need to be made, but seeks to demonstrate the principals which determine the lines of accountability so it is clear where certain decision making should lie.

These are the first versions of the SoDs and future versions will include details about delegation to board committees (i.e. resources and finance).

The purpose of scheme of delegation

A scheme of delegation (SoD) is the key document defining which functions have been delegated and to whom. . It should be a simple yet systematic way of ensuring members, trustees, committees (including local governing committees), executive leadership and academy principals are clear about who has responsibility for making which decisions in the trust. This overarching SoD covering 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.

Deciding what to retain at trustee level and what to delegate will vary from trust to trust. The detail will not be set out in the articles of association, the MAT's governing document. This is why it is critical that MATs agree a SoD that explicitly establishes who makes which decisions, and ensures this is clear to both all those within the MAT, as well as to the governing bodies of schools potentially looking to join.



Governing bodies may opt to join a MAT with the agreement they will be retained as a local governing committee by the trust. It needs to be clearly understood by all parties that this is subject to future change. The trust board will always have the power to appoint and remove committees at any point, whether it be a committee of the trust board, or a cluster committee, or local governing committee (LGC), often referred to as a local governing body or LGB. Although the LGC may be retained as a committee of the trust board, its decision making powers may well be very different to those it had as a local authority maintained school governing body. In some cases these may be much reduced or even non-existent (which is not to say that the local governing committee does not have a role, but it will be different).

A detailed yet clear SoD can help prevent confusion from arising before any misunderstanding arises which has the propensity to lead to a loss of trust and damaged working relationships.

A scheme must be fit for purpose which means it will demonstrate 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 schemes will vary from trust to trust depending on size, structure and geographical spread, there are basic principles to follow. Each of NGA's model schemes aims to clarify decision making and lines of accountability in a simple, succinct and clear format and as such each model includes:

- A short paragraph of text which outlines the structure
- A structure diagram which shows the layers of governance and reporting structures
- A short paragraph of text which outlines the structure
- Details on roles and responsibilities
- A grid format, with columns for each layer of governance which enables stakeholders to quickly determine who has the power to take which decisions 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



You will note that the models do not use overly complicated legal terminology. Instead they are intended to be working documents that the trust board and executive leaders should be able to revise and adapt in response to their context and circumstances.

Remember: no single model is going to suit everyone and each trust should ensure that their scheme is tailored to their own chosen structure.

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 revisions 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.

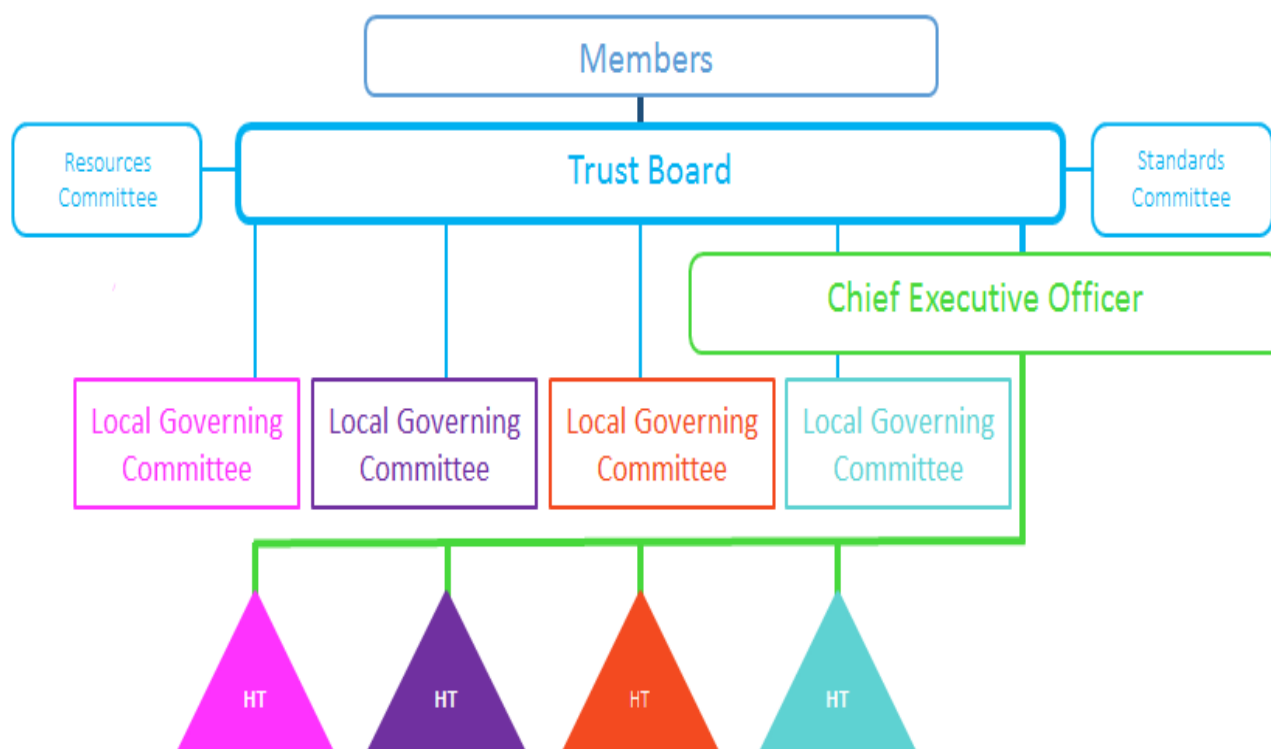
If you are looking either to review your existing scheme or use this model to develop a new one, you can contact NGA for consultancy support: contact [Clare Collins](#).

An effective scheme will:

- Ensure the executive leadership is clear about which decisions the trust board remain in control of
- Ensure that the role of the executive leadership is fully understood throughout the MAT
- Promote a culture of honesty and accountability
- Identify responsibility for the appointment and performance management of the CEO/executive principal and academy principals
- Identify responsibility for policy and practice in each academy
- Identify responsibility for oversight of each academy's budget
- Identify responsibility for assessment of risk in each academy
- Identify responsibility for oversight of educational performance in each academy



Model 1: delegation to local governing committees (LGCs)



Governance structure and lines of accountability

The board of trustees of a multi academy trust delegate responsibility for delivery of the vision and strategy to the lead professional of the MAT, who is increasingly being termed a chief executive officer (CEO). The MAT board will hold the CEO to account for the performance of the trust, including the performance of the academies within the trust. The CEO in turn holds other senior executives to account by line managing them. The senior executive structure will vary from one MAT to another but it is important that any scheme showing what is delegated by the board includes delegation to the executive as well as to the committees of the board of trustees. While the board cannot ever delegate its accountability, it can and must delegate some of the detailed scrutiny, oversight and decision making. The size of the MAT will determine if any decision making functions are delegated to cluster or local governing committees.

In this scheme of delegation (SoD) the trust board delegates responsibility for the performance of the trust, including the performance of the academies within the trust, to the chief executive officer (CEO). However, some responsibilities concerning the performance of each academy are delegated to a local governing committee (LGC). These responsibilities may include monitoring whether the school is working within the agreed policies, whether standards are being met, and if the money is being well spent. The LGC will use its detailed knowledge and engagement with stakeholders to



ensure that their school is being well served by the executive leadership, and as a board committee has direct access to the board if there are concerns.

This means that as the CEO is accountable to the board for the performance of the trust as a whole, the CEO will report to the board on the performance of the trust including on the performance of the trust's schools, although this may be supplemented by monitoring reports from the LGCs.

The CEO is performance managed by the trust board. The CEO performance manages the academy principals but will seek input from the LGC chair.

Roles and responsibilities

The role of the members

The members of the trust have a different status to trustees. Originally they will have been the signatories to the memorandum of association and will have agreed the trust's first articles of association (a document which outlines the governance structure and how the trust will operate). The articles of association will also describe how members are recruited and replaced, and how many of the trustees the members can appoint to the trust board. The members appoint trustees to ensure that the trust's charitable object is carried out and so must be able to remove trustees if they fail to fulfil this responsibility. Accordingly, the trust board submits an annual report on the performance of the trust to the members. Members are also responsible for approving any amendments made to the trust's articles of association.

While members are permitted to be appointed as trustees, in order to retain a degree of separation of powers between the members and the trust board, and in line with DfE expectations, not all members should be trustees. The DfE has amended the model articles to state that members are not permitted to be employees of the academy trust.

The role of the trustees

The trustees are the charity trustees (within the terms of section 177(1) of the Charities Act 2011) and are responsible for the general control and management of the administration of the trust in accordance with the provisions set out in the memorandum and articles of association. The board of trustees is the accountable body for the performance of all schools within the trust and as such must:

1. Ensure clarity of vision, ethos and strategic direction
2. Hold the executive to account for the educational performance of the 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

Because trustees are bound by both charity and company law, the terms 'trustees' and 'directors' are often used interchangeably. We use the term trustee as it avoids the possible confusion caused when executive leaders are called directors but are not company directors and trustees.



The trust board is permitted to exercise all the powers of the academy trust. The trust board will delegate to the chief executive responsibility for the day to day operations of the trust. The trustees can determine whether to delegate any governance functions.

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

The role of committees

The trustees may establish committees either with delegated authority to make decisions or for the purpose of providing advice and support, informing the overall work of the trust board. However these committees are not legally responsible or accountable for statutory functions – the trust board retains overall accountability and responsibility. The responsibilities of board committees are set out in their terms of reference; the responsibilities for cluster or school governing committees are set out in the scheme of delegation. The trust board may appoint committee members and committee chairs.

The role of the local governing committee (LGC)

The trust board will establish LGC's, appoint the chair, ensure two parents are elected and will determine what will be delegated. Typically, responsibilities may include:

- Building an understanding of how the school is led and managed
- Monitoring whether the school is:
 - Working within agreed policies
 - Is meeting the agreed targets
 - Managing its finances well
- Engaging with stakeholders
- Reporting to the board

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 principals. As there is delegation to a local governing committee (LGC) this is usually with the LGC 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.



In many MATs the CEO is appointed as a trustee. One of the board's core functions is to hold the CEO to account. Where the CEO is a trustee they are – in effect - holding themselves to account. The latest model academy articles provide for CEO's not to be appointed as a trustee.

NGA's position is that in line with other charities, MAT CEOs should not be appointed as a trustee. There is an inherent conflict of interest in carrying out the dual role of presenting plans, giving advice and providing information to the trust board while at the same time being a member of the board that will approve the plans and question the advice and information being presented. If the CEO is a trustee, the trust will need to ensure it manages this conflict of interest effectively

The role of the academy principal

The academy principal is responsible for the day to day management of the academy and is managed by the chief executive or executive principal but reports to the LGC on matters which have been delegated to the LGC.

Key	
Level 1: Members	
Level 2: Board of trustees of the multi academy trust	
Level 3: Chief executive officer	
Level 4: Local governing committee (LGC)	
Level 5: Academy principal	
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	Delegation				
		Members	Trust Board	CEO	LGC	Academy Principal
Governance framework						
People	Members: Appoint/Remove	✓				
	Trustees: Appoint/Remove	✓				
	Role descriptions for members	✓				
	Role descriptions for trustees/chair/ specific roles/committee members: agree		✓	<A		
	Parent trustee/committee member: elected		✓		✓	
	Committee chairs: appoint and remove		✓	<A		
	LGC chairs: appoint and remove		✓	<A	✓	
	Clerk to board: appoint and remove		✓			
	Clerk to LGC: appoint and remove		✓		✓	
Systems and structures	Articles of association: agree and review	✓	<A	<A		
	Governance structure (committees) for the trust: establish and review annually		✓	<A		
	Terms of reference for trust committees (including audit if required, and scheme for school committees): agree annually		✓	<A		
	Terms of reference for LGC/local committees: agree and review annually		✓	<A		
	Skills audit: complete and recruit to fill gaps		✓	<A>	✓	A
	Annual self review of trust board and committee performance: complete annually		✓			



Area	Decision	Delegation				
		Members	Trust Board	CEO	LGC	Academy Principal
Systems and structures	Annual self review of LGC performance: complete annually				✓	
	Chair's performance: carry out 360 review periodically		✓		✓	
	Trustee / committee member contribution: review annually		✓		✓	
	Succession: plan		✓	<A>	✓	A
	Annual schedule of business for trust board: agree		✓	<A		
	Annual schedule of business for LGC: agree			A>	✓	A
Reporting						
Reporting	Trust governance details on trust and academies' websites: ensure		✓	<A		
	Academy governance details on academy website: ensure		✓	<A		
	Register of all interests, business, pecuniary, loyalty for members/trustees/committee members: establish and publish		✓	<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		
	Annual report work of LGC: submit to trust and publish				✓	A



Area	Decision	Delegation				
		Members	Trust Board	CEO	LGC	Academy Principal
Being Strategic						
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		
	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		
	Management of risk: establish register, review and monitor		✓	<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 principal : Appoint and dismiss			✓		



Area	Decision	Delegation				
		Members	Trust Board	CEO	LGC	Academy Principal
Being Strategic	Budget plan to support delivery of trust key priorities: agree		✓	<A		
	Budget plan to support delivery of school key priorities: agree			A>	A	✓
	Trust's staffing structure: agree		✓	<A		
	School staffing structure: agree			A>	A	✓
Holding to account						
Holding to account	Auditing and reporting arrangements for matters of compliance (eg safeguarding, H&S, employment): agree		✓	<A>	✓	A
	Reporting arrangements for progress on key priorities: agree		✓	<A>	✓	A
	Performance management of the Chief Executive Officer: undertake		✓			
	Performance management of academy principal : undertake			✓	A	
	Trustee monitoring: agree arrangements		✓	<A		
	LGC member monitoring: agree arrangements				✓	A



Area	Decision	Delegation				
		Members	Trust Board	CEO	LGC	Academy Principal
Ensuring financial probity						
Ensuring financial probity	Chief financial officer for delivery of trusts detailed accounting processes: appoint		✓	<A		
	Trust's scheme of financial delegation: establish and review		✓	<A		
	School's scheme of financial delegation: establish and review		✓	<A		
	External auditors' report: receive and respond		✓	<A	✓	A
	CEO pay award: agree		✓			
	Academy principal pay award: agree			✓	A	
	Staff appraisal procedure and pay progression: monitor and agree		✓	A>	A	✓
	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				✓	

