



# **The LETTA Trust**

## **Governance Arrangements – A Summary**

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## Trust governance – a summary

The LETTA Trust runs the LETTA family of schools. It is a company limited by guarantee & is an exempt charity which means that although it has the responsibilities that are placed upon charities it is not required to be registered with the Charity Commission or file documents there.

The Trust is constituted under Articles of Association which set out the purposes, or 'Objects', & powers of the Trust & how these are to be exercised. The Objects cannot be changed although they can be added to with the approval of the Secretary of State & the Charity Commission. The Objects in summary say that the purpose of the Trust is to establish, develop & run schools, which legally are academies, offering a broad & balanced curriculum. Although the first schools in the Trust are primary schools the Objects are wide enough to allow the Trust to run all kinds of schools, mainstream or special, & for any age range including sixth form provision.

As a company limited by guarantee & to meet the requirements of company law, the Trust has a **dual governance level**. It has:

1. **Members**, the equivalent of shareholders in a commercial limited company, &
2. **Trustees** who are the directors of the company & who together comprise the Trust Board ("TB") & who report & are accountable to the Members. The TB has overall responsibility for the performance of the schools. It discharges that responsibility by placing the responsibility for the internal organisation, management & control of the individual schools to committees known as Local Governing Boards ("LGB") & it delegates certain of its functions that relate to the Trust as a whole to other committees of the TB. The Chief Executive Officer ("CEO"), & the Chief Financial Officer ("CFO") have specific responsibility for the day to day operation of the Trust & each school has a headteacher ("HT") who reports to & is supported by the CEO & has specific responsibility for the operation of the individual school. The CEO will also act as CFO until a separate appointment is made.

An LGB may have Trustees as members. The TB appoints LGB members, who have full voting powers. In addition, the TB may appoint additional members of other committees on such terms as it considers appropriate. These members may be permitted to vote but a vote may only be taken when a majority of those attending the meeting are Trustees.

This document sets out how those various responsibilities are dealt with & how the various constituent parts of the Trust are required to operate. Appendix One shows the delegation process for a range of decisions that arise & Appendix Three sets out the general requirements in relation to calling & attending meetings & voting.

This scheme is designed such that HTs & LGBs have increased responsibility for & the opportunity to focus on teaching & learning, on educational outcomes, on pupil & staff welfare & on the needs of their local communities. The TB will be responsible for central matters such as policy setting, financial administration, overall HR concerns & statutory compliance. Innovation & development are a shared responsibility of the TB & LGBs.

### **The Nolan Principles**

All Trustees & those with specific responsibilities will observe the Nolan Principles of:-

#### 1. Selflessness

Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

#### 2. Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

#### 3. Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards & benefits, holders of public office should make choices on merit.

#### 4. Accountability

Holders of public office are accountable for their decisions & actions to the public & must submit themselves to whatever scrutiny is appropriate to their office.

#### 5. Openness

Holders of public office should be as open as possible about all the decisions & actions that they take. They should give reasons for their decisions & restrict information only when the wider public interest clearly demands.

#### 6. Honesty

Holders of public office have a duty to declare any private interests relating to their public duties & to take steps to resolve any conflicts arising in a way that protects the public interest.

#### 7. Leadership

Holders of public office should promote & support these principles by leadership & example.

## **Roles & responsibilities & terms of reference**

### **Members**

The Trust has up to 5 Members. The Members have overall nominal responsibility for the Trust but they exercise their functions through the TB. Each Member guarantees to contribute £10 if the Trust were to become insolvent & be wound up – that is the “guarantee” implied by the term “company limited by guarantee”.

Our Members all have a stake or background in education or our community or both. Members are the custodians of the Trust, acting as a ‘check & balance’ on the Trust’s performance. To ensure a suitable degree of independence from the board, no more than 2 members will also sit as trustees.

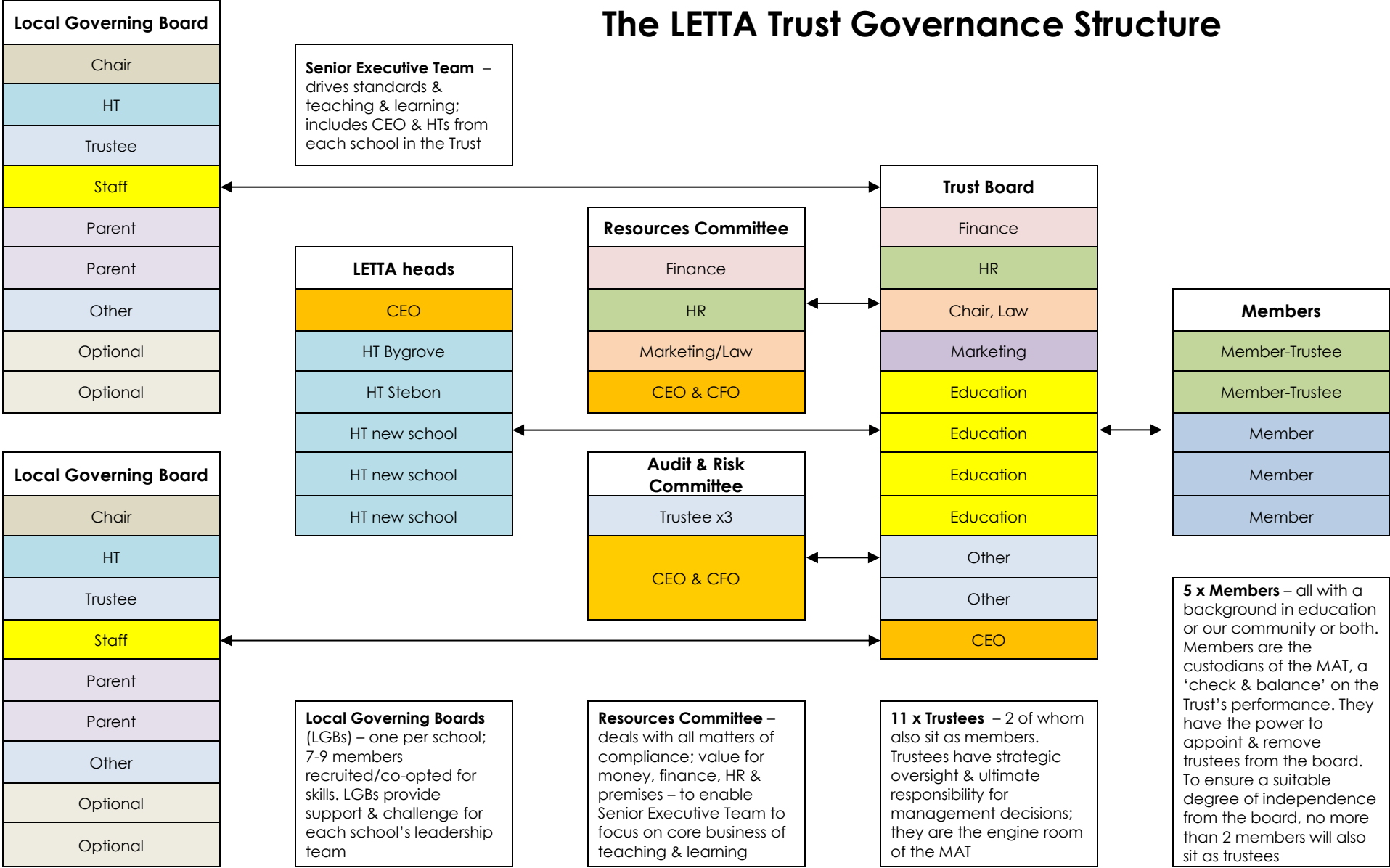
The main powers & duties of the Members in broad terms are:

- To appoint & remove Trustees
- To ensure that there are always the required minimum number of Members
- To appoint & remove Members
- To approve any proposed changes to the Articles of Association
- To receive the annual accounts of the Trust

### **Trustees**

The Trustees are the directors of the trust & have a similar role to governors in a local authority-maintained school. Appendix Four sets out the duties of company directors & what is required of Trustees & Local Governors in relation to conflicts of interest. The overall governance structure is shown diagrammatically as follows:

# The LETTA Trust Governance Structure



## Terms of Reference

### Trust Board

#### Purpose & aims:

Trustees have strategic oversight & ultimate responsibility for management decisions; they are the engine room of the Trust. The Trust Board aims to fulfil many of the central functions of the Trust so that Local Governing Boards are freed up to focus on the school-specific considerations of teaching & learning, educational outcomes, pupil & staff welfare & the needs of their local communities.

The TB focuses on the three core functions of governance:

1. Ensuring clarity of vision, ethos & strategic direction
2. Holding the CEO to account for the educational performance of schools, & the performance management of staff
3. Overseeing the financial performance of the Trust & making sure its money is well spent

#### Composition:

- Up to 11 Trustees appointed by the Members,
- The CEO if the TB decides to invite the CEO to be a Trustee & the CEO accepts the appointment
- Any Trustees co-opted by those Trustees who are not themselves co-opted Trustees
- Elected Parent Trustees (if any) as determined by the Members in certain circumstances (which currently do not apply to the Trust as there are 2 parent representatives on each LGB)

Quorum: One-third of the total number of Trustees in post

Meetings: At least 5 each year convened on seven clear days' notice except in emergency as determined by the Chair

#### Responsibilities of the TB:

- Deciding upon major strategic & legal aspects such as:



- Establishing a new school
- Discontinuing or merging existing ones
- Disposal of land otherwise than for operational letting or hire purposes
- Recommending amendments to the Articles of Association
- Adopting the strategic plan for the Trust which may include individual strategic plans for each school
- Procurement requiring the publication of OJEU advertisements
- Financial responsibility in accordance with the TB Financial Manual which is set out in Part Three of Appendix One
- Approving the overall budget for the Trust & its devolution to each school
- Approving the annual accounts of the Trust
- Ensuring that all regulatory requirements are met
- Recommending appointment of Members, Trustees & members of LGBs & co-opting additional Trustees including conducting skills audits as required
- Ensuring that all Trustees & members of LGBs are appropriately trained
- Dealing with formal complaints against a school in accordance with the Trust complaints policy
- Monitoring educational outcomes including comparison with national datasets
- Approving all policies that the Trust by law is required to maintain. All policies originate from the CEO. A schedule of policies is attached as Appendix Two & shows where detailed consideration of each takes place
- Determining each year the scheme of delegation & terms of reference including approving the membership of all committees
- Determining admission arrangements for each school
- Ensuring & monitoring compliance with Admissions Code
- Establishing arrangements for independent appeals against refusals to admit pupils to a school
- Establishing arrangements for independent review panels to review permanent exclusions
- Appointment of:
  - CEO
  - CFO
  - HT
- Performance management of the CEO
- Monitoring all aspects of the curriculum & curriculum delivery\*
- Monitoring student issues including behaviour & exclusions\*

- Monitoring all aspects of SEN\*
- Monitoring all aspects of safeguarding including British Values & the operation of the Prevent strategy\*
- Monitoring all equality aspects including the Public Sector Equality Duty\*
- Monitoring all aspects of readiness for inspection\*

Responsibility for the detailed consideration of all aspects marked with\* is retained by the LGB of each school.

### **Chair's Emergency Powers**

The Chair, or in the absence of the Chair the Vice-Chair, may take such action as the Chair may think fit to protect the interests of the Trust, any school within the Trust, any student or employee of the Trust or any other member of the school community in circumstances where in the opinion of the Chair it would not be reasonably possible to convene a meeting of the TB or a relevant Committee or LGB in the time necessary to protect such interests.

### **Local Governing Boards for each school**

Purpose & aims:

The LGB's primary aim is to work with & through school leaders to focus on the classroom, on pedagogy, on the curriculum & its delivery, on pupil progress & outcomes & on parents & the local community. They secure continual improvement in their schools through encouraging innovation & commitment to partnership working.

Composition: 7-9 governors including at least 2 elected parents governors

Quorum: One-third of the total number of governors in post

Meetings: at least 3 times annually

Specific responsibilities:

- Monitoring of educational outcomes in the school & specifically dealing with all aspects of the curriculum & its delivery
- Monitoring educational outcomes including comparisons with national datasets
- Maintaining positive & constructive links with parents & the local community & ensuring that local conditions & concerns are represented to the TB where appropriate
- Monitoring pupil issues including behaviour & exclusions
- Monitoring all aspects of SEN
- Monitoring all aspects of safeguarding including British Values & the operation of the Prevent strategy
- Monitoring all equality aspects including the Public Sector Equality Duty
- Monitoring all aspects of readiness for inspection
- Determination of the annual spend of that part of the Trust budget delegated to be managed by the school
- Financial responsibility in accordance with the TB Financial Manual which is set out in Part Three of Appendix One
- Arranging election of elected members of the LGB in accordance with the Articles of Association
- Dealing with formal complaints against the school in accordance with the Trust complaints policy
- Dealing with the regulatory requirements of admissions & exclusions through designated committees of the LGB
- Liaising with the Trust Board, CEO & CFO on all aspects of policy setting as they may respectively require
- Reporting to the Trust Board on the overall performance of the school

The LGB has power to establish sub-committees & to sub-delegate responsibilities to such sub-committees. The LGB may appoint non-LGB members to its sub-committees with the prior approval of the TB but no vote shall be taken at any meeting of a sub-committee unless a majority of those present & voting are Trustees or members of the LGB.

## Trust Board Resources Committee

### Purpose & aims:

The Resources Committee's purpose is to fulfil much of the TB's finance & HR function on behalf of the TB & to ensure consistency in both across each of the Trust's schools.

Composition determined by the TB: Ramakrishnan Venkatakrisna (Chair), Oliver Woodward, Peter Stone, CEO & CFO

Quorum determined by the TB: One-third of the total number of trustees in post (more than 1 required in each meeting – rounded up)

Meetings determined by the TB: 6 annually

### Specific responsibilities:

- Detailed consideration of the annual budget including consideration of
  - The extent to which funds are retained for central services not directly related to individual schools
  - The allocation of central funds for the purposes of each individual school, [including an envelope for staffing], which will be based mainly but not solely on pupil numbers
  - The allocation of funds to each individual school to be applied at the discretion of the HT
- Monitoring the financial performance of the Trust & holding the CFO to account for this
- Monitoring the use of the pupil premium & other earmarked or dedicated funds
- Monitoring all Human Resource aspects
- Determination of staff pay & conditions
- Financial responsibility in accordance with the TB Financial Manual which is set out in Part Three of Appendix One
- Performance management of CFO
- Disciplinary, capability & grievance aspects relating to CEO, CFO & HT
- Detailed consideration of those policies within its remit
- All matters relating to premises
- All matters relating to health & safety

## **Audit & Risk Committee**

Purpose & aims:

The Audit & Risk Committee's aims are to improve the quality of the Trust's accounting & auditing functions, to strengthen the independence of the audit function, to increase the credibility & objectivity of financial reporting & to facilitate good communication between the Trust & its external auditor.

Composition determined by the TB: Stuart Poyser (Chair), Ruth Brock, Peter Sherratt, CEO & CFO

Quorum determined by the TB: One-third of the total number of trustees in post (more than 1 required in each meeting – rounded up)

Meetings determined by the TB: 3 annually

Specific responsibilities:

- Considering the appointment of the external auditor, the audit fee & any questions of resignation or dismissal
- Discussing with the external auditor before the audit commences the nature & scope of the audit
- Reviewing the annual financial statements before submission to the TB, focusing particularly on: - any changes in accounting policies & practices - areas involving a significant degree of judgement - significant adjustments resulting from the audit - the going concern assumption - compliance with accounting standards - compliance with legal requirements - the clarity of disclosures - the consistency of accounting policies from year to year
- Discussing problems & reservations arising from the audit & any matters the external auditor may wish to discuss (in the absence of employees where necessary)
- Reviewing the internal audit function, consider the major findings of internal audit investigations & the CEO & CFO response, & ensuring co-ordination between the internal & external auditors
- Keeping under review the effectiveness of internal control systems, & in particular reviewing the external auditor's management letter & the CEO & CFO response

- Developing & keeping under review risk management & measurement strategies across the Trust together with the procedures for monitoring the adequacy & effectiveness of those processes
- Reviewing the action & implementation of risk management policy across the Trust
- Considering the Trust's risk profile relative to current & future Trust strategy & identifying any such trends, concentrations or exposures & any requirement for policy change
- Receiving & reviewing risk management & relevant regulatory information & reports
- Considering material breaches of the agreed risk limits & reviewing the actions taken in response to prevent a repeat occurrence
- Considering the effect on the rights of the Trust of the findings of the internal audits or the external audits
- Reviewing on a regular basis its own performance, constitution & terms of reference to ensure it is operating at maximum effectiveness in discharging its duties

### **Chief Executive Officer**

Purpose & aims:

The CEO leads the executive function of the Trust & has appropriately wide-ranging responsibilities. They secure school improvement by offering support & challenge through line management to the headteacher of each school & to the CFO. The CEO reports to the Trust Board.

Specific responsibilities:

- Providing the strategic & operational leadership of the Trust
- The internal organisation, management & control of each of the schools & specifically:
  - Development of Trust-wide strategies & strategies for individual schools for Trust Board approval
  - Determining & implementing curriculum provision & assessment
  - Appointment & dismissal of all staff below HT level
  - Performance management (including progression) of all staff at & below HT level
  - Disciplinary, capability & grievance aspects relating to all staff below HT level

- Securing compliance with the Master Funding Agreement & each Supplemental Funding Agreement
- Ensuring the proper discharge of all statutory functions including in relation to admission appeals & reviews of permanent exclusion
- Approval on behalf of the TB of all statutory policies shown in Appendix 2 as the responsibility of the CEO
- Reporting at least termly to the Trust Board and Audit & Risk Committee
- Financial responsibility in accordance with the TB Financial Manual which is set out in Part Three of Appendix One

### **Chief Finance Officer**

Purpose & aims:

The CFO is the senior executive responsible for managing the business functions of the Trust, helping it to develop & deliver its strategic objectives.

Specific responsibilities:

- Providing the financial leadership of the Trust
- Securing financial probity & value for money including compliance with the Academies Financial Handbook
- Preparing & maintaining the Trust's Financial Manual
- Financial responsibility in accordance with the TB Financial Manual which is set out in Part Three of Appendix One
- Preparing the budget for the Trust, including allocation of funds for centrally-maintained services, determining the envelope of funding allocated to individual schools & determining sums to be delegated to each LGB for local spending, for Trust Board approval
- Reporting at least termly to Finance Committee and Audit & Risk Committee

## Headteacher

### Purpose & aims:

The HT is responsible for the day-to-day management of the school & secures school improvement by leading on all aspects of teaching & learning, pupil assessment & outcomes, curriculum & community. Headteachers set the culture, tone & ethos of their schools. They work closely with & are line managed by the CEO but report to the LGB on matters which have been delegated to the LGB.

### Specific responsibilities include:

- Determining & developing school's vision & strategy & key priorities in partnership with the LGB & CEO
- The internal organisation, management & control of the relevant school, reporting to the CEO & LGB
- Determining school level policies which reflect the school's ethos & values
- Engaging with stakeholders; pupils, parents, governors & the local community
- Developing a budget plan to support delivery the school's key priorities
- Monitoring & agreeing staff performance management procedure & pay progression
- Contributing to the overall development & strategic direction of the Trust including support for any other school within the Trust
- Financial responsibility in accordance with the TB Financial Manual which is set out in Part Three of Appendix One



## **Sub-Committees of the Local Governing Board**

### **Admissions Sub-Committee of the Local Governing Board**

Composition: All LGB members & such others as may be appointed by the Trust Board

Quorum: 2 for decisions on individual admission applications, 3 for all other meetings

Meetings: As required on seven days' notice other than meetings to determine individual admission applications which may be convened without notice

Outline of responsibilities:

- To advise the Trust Board on any aspects of admissions & the admission arrangements for the school that may be relevant including reporting on admission patterns & matters of concern
- To respond when required by the Trust Board to any proposal to amend the admission arrangements
- To manage any local consultation required in relation to any proposed amendment to the admission arrangements or otherwise to secure compliance with the Admissions Code
- To consider & decide upon each application for a place at the school including reviewing & confirming the ranking of applications as advised by the local authority at the points of normal entry to the school, i.e. at Year R &/or Year 7

### **Staff Discipline & Related Matters Sub-Committee of the Local Governing Board**

Composition: all non-employee members of the LGB & all non-employee Trustees forming panels of three as required

Quorum: 3

Meetings: as required

Delegated Responsibility: To discharge the functions specified for governors under policies relating to staff discipline, capability, grievance, long-term sickness, redundancy & pay.

### **Pupil Exclusions Sub-Committee of the Local Governing Board**

Composition: All LGB members other than employees of the Trust & such others as may be appointed by the Trust Board

Quorum: 3

Meetings: In accordance with statutory requirements

Delegated Responsibilities:

- To consider all parental representations in relation to any pupil exclusion
- To meet to review all fixed period exclusions individually or in aggregate in excess of five days & all permanent exclusions whether or not parents make representations or exercise the right to attend

**Note: all decisions taken under delegated authority MUST be reported to the next available Trust Board meeting. This should be done by way of a minute of the decision or of the meeting at which the decision was taken.**