

Mater Ecclesiae Catholic Multi Academy Trust



Financial Regulations
July 2023

1. Core Diocesan Principles

There are core principles that underpin all schools within the Diocese of Lancaster. The key areas of the distinctive nature of Catholic education are recorded in Principles, Practices and Concerns (Bishops' Conference 1996) and can be considered as underlying principles:

- The search for excellence as an integral part of the spiritual quest;
- The uniqueness of the individual made in God's image and loved by him;
- The education of the whole person based on the belief that the human and divine are inseparable;
- The education of all with the particular duty to care for the poor and disadvantaged;
- Moral principles put into practice within a Christian community.

And, the following principles recorded in 'The Common Good in Education' (Bishops' Conference 1996) also apply:

- Subsidiarity – which means decisions being taken as close to the grass roots as good government allows;
- Solidarity – which means we are all responsible for each other, with a willingness to see others as self.

The Church also promotes the principle of Community Cohesion;

- Thus, Catholic schools must continue to look outwards and work in partnership with all other schools in the wider community, to the benefit of all children in society.

2. Introduction

The purpose of this policy is to ensure [Trust] maintains and develops systems of financial control which conform with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department for Education (DfE) and the requirement of the Memorandum of Understanding with the Diocese of Lancaster.

The **Memorandum of Understanding (MoU)** sets out the understandings and conditions that apply to the development and functioning of the Catholic Education Trusts (referred to generally by others as Multi Academy Trusts or MATs) established by the Bishop for the Diocesan schools. The MoU makes clear that the Trust Board has full responsibility for managing the financial affairs of the Trust including all the constituent schools. No guarantees or assurances in respect of the financial affairs of the Trust will be provided by the Bishop or the Diocesan Trustee.

The Trust must comply with the principles of financial control outlined in the academies guidance published by the Education and Skills Funding Agency (ESFA), primarily the Academy Trust Handbook (AFH). This policy expands on that and provides detailed information on the Trust's accounting procedures and systems.

This policy should be read in conjunction with the following Trust policies and with individual academy operational procedure notes. Academy operational procedure notes are an important supplement to this policy and will be agreed by the Chief Financial Officer/Accounting Officer/Chief Operating Officer and each Headteacher and will be distributed to all relevant central and academy staff.

- Assets and Disposals Policy;
- Anti-Fraud & Corruption Policy;
- Charging, Remissions & Lettings Policy;
- Code of Conduct - Directors/Governors;
- Code of Conduct – Employees;
- Code of Conduct – Local governing bodies;
- Reserves Policy;
- Treasury Management & Investment Policy;
- Risk Management Policy;
- Business Continuity Plan;
- Whistleblowing Policy.

3. Principles

The Trust will manage its affairs in accordance with the high standards detailed in the 'Guidance on Codes of Practice for Board Members of Public Bodies' and in line with Lord Nolan's 7 principles of public life –

Selflessness

Holders of public office should take decisions solely in terms of the public interest.

Integrity

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

Objectivity

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

Accountability

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

Openness

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

Honesty

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

Leadership

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

4. Organisation and Responsibilities

Role of Members

The Members of the Trust oversee the Board of Directors (the “Trust Board”), holding the Directors to account and ensuring that the values and ethos of the Trust are upheld and the distinctiveness of the Academies is preserved. Their functions include:

- Appointing Directors;
- Removing Members and Directors, under certain circumstances;
- Receiving the annual accounts;
- Overseeing the achievement of the objectives of the Trust;
- Amending the Articles of Association, subject to restrictions;
- Appoint the Trust Auditors.

Role of Trust Board

The Trust Board has overall responsibility for the administration of the Trust’s finances. The Trust Board is responsible for managing the financial affairs to ensure regularity, propriety and value for money, and for ensuring that the Trust’s funds are used in accordance with charity law, company law and the funding agreement. The Directors are held to account by the Members and the Secretary of State, although the Trust Board delegates certain powers to the Accounting Officer/Chief Executive Officer.

Role of Finance & Resources Committee

Finance and Resources Committee operates in accordance with its Terms of Reference under the Scheme of Delegation.

The functions of the Finance and Resources Committee include:

- Oversight of major financial issues concerning the Trust and its Academies, the overall Trust budget and those of the individual Academies, the management of funds against the budget, the benchmarking of financial performance, expenditure levels, budget headings and the way funds are utilised (including value for money) and the way monies are secured;
- To monitor the production, timeliness and accuracy of key financial statements in response to both statutory and local requirements;
- To support (recommending and advising) the Trust Board in developing and

then implementing a reserves policy and to consider the impact of strain in individual Academy budgets;

- To support (recommending and advising) the Trust Board in developing and then implementing the Financial Regulations Manual and associated procurement policy Separate policy;
- To review tenders for major contracts as specified in the Financial Regulations Manual. To approve or reject tender proposals or, where required, make recommendations to the Trust Board;
- To recommend any changes in the Financial Policy, where significant, to the Trust Board. To review the operations of the Trust and the Academies in relation to the procedures shown in the Finance Policy;
- To monitor key financial and accounting systems and reviewing any audits of these or the general finances of the Trust and make recommendations to the Trust Board and/or the Local governing bodies as appropriate.

Role of Audit Committee

The Audit Committee operates in accordance with its Terms of Reference under the Scheme of Delegation. Where permitted by the Academy Trust Handbook, the functions of the Audit Committee may be undertaken by the Finance & Resources Committee. Any overlap with the Finance & Resources Committee will be resolved by the Finance & Resources Committee.

The functions of the Audit Committee include

- Advise and report to the Directors in relation to any organisational risks which might impede the development and implementation of a long-term strategy for the success of the Trust;
- Support the Directors in the formulation of financial and risk management policies for the Trust and the Academies for achieving the aims and objectives set out in the Trust's Development Plan or long-term strategic vision;
- Advise the Directors on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control and governance processes and securing economy, efficiency and effectiveness (value for money);
- Review any financial and risk report submitted by the Academies and advising the Directors on any issues arising from it as well as making recommendations for future reports to sustain the integrity of the financial and risk management systems;

- Advise the Directors on the appointment, reappointment, dismissal and remuneration of auditors (both external auditors and internal audit);
- Agree the work programme of internal audit including the checking of financial controls, systems, transactions and risks;
- Consider the reports of the auditors and, when appropriate, advise the Directors and the Academies of material control issues and monitor the implementation of agreed audit recommendations;
- Advise on policies for the securing of the funds and assets of the Trust including by the prevention of loss through fraud and irregularity;
- Ensure that all allegations of fraud and irregularity are appropriately investigated and control weaknesses addressed, working with the Directors and the Headteachers of the Academies, as appropriate;
- Recommend the annual financial statements to the Directors for approval.

Role of Accounting Officer

The Trust's Chief Executive (CEO) holds the position of Accounting Officer. The Accounting Officer has personal responsibility (that cannot be delegated) for assuring the Trust Board that there is compliance with the Academies Handbook, the Funding Agreement and all relevant aspects of company and charitable law. The role of Accounting Officer includes a personal responsibility to Parliament, and to the ESFA's Accounting Officer, for the financial resources under the Trust's control

The Accounting Officer must:

- Assure the Trust Board that there is compliance with the Academy Trust Handbook, the Funding Agreement and all relevant aspects of company and charitable law;
- Ensure that bank accounts, financial systems and financial records are operated effectively with segregated and separation of duties;
- Ensure that all the Trust's property is under the control of the Directors, and that measures are in place to prevent losses or misuse, including maintenance of adequate fixed asset registers;
- Keep full and accurate accounting records.

Role of Chief Operating Officer (COO) and Chief Financial Officer (CFO)

The Academy Trust Handbook states that all academies are required to appoint a “chief financial officer”. This function may be undertaken by any Chief Operating Officer or by a dedicated Chief Financial Officer, who will report to the COO. Where there is no COO, the CFO will report directly to the CEO. The COO/CFO plays both a management and leadership role in the Trust.

The main CFO responsibilities are:

- the establishment and operation of a suitable accounting system;
- the management of the Trust’s financial position at a strategic and operational level within the framework for financial control determined by the Trust Board;
- meeting all external reporting deadlines;
- implementation and operation of rigorous and robust audits and control;
- ensuring that the annual accounts are properly presented and adequately supported by the underlying records of the Trust;

The CFO does not discharge all of their responsibilities personally and is supported by a Central Finance team to whom specific functions may be delegated.

Role of Central Finance team

The Central Finance team functions include:

- Prepare management accounts on a monthly basis and complete the following reconciliations;
- Bank reconciliations;
- Payroll and employer/employee deductions accounts;
- Sales control account;
- Purchases control account;
- Childcare voucher account;
- VAT accounting and returns;
- Preparation of annual financial statements;
- Generation of Bacs payment runs for creditor payments;
- Maintenance of FMS system including chart of accounts, fixed asset accounting and creditors Masterfile;
- Journal transactions relating to cash and virements;

- Monthly review of creditors and debtors accounts;
- Treasury Management.

The Central Finance team will lead on all non-academy specific finance matters including central Trust functions, teaching school, trading companies etc.

Role of Headteachers

The Headteachers at each Academy have the following financial responsibilities:

- Ensuring expenditure is controlled within approved budgets;
- Ensuring staffing structures are both affordable and within the authorised established Scheme of Delegation;
- Enforcing the application of policies and procedures within each Academy;
- Ensuring the Chief Financial Officer (CFO) is provided with any financial information requested in a timely manner and is also notified immediately of any situation likely to significantly impact on the financial position of the academy;
- Authorising contracts, orders and virements up to the amounts delegated in these procedures;
- In conjunction with Central Finance Support staff ensuring that all transactions are correctly authorised and approved and that a full audit trail exists that complies with these regulations;
- Ensuring timely returns to the Central Finance Team are accurate and within deadlines.

Role of Local governing bodies (LGBs)

The Trust's Scheme of Delegation will provide each Local governing body with their delegated authorities.

Role of Internal Assurance

The Trust has determined that this function will be undertaken by the appointment of an internal assurance provider. A programme of checks for Internal Assurance will be agreed and approved by the Audit Committee. The programme will be based on an assessment of risk across the Trust and will address all key financial transactions and systems.

The CFO may also direct the Trust's Central Finance team and auditors to undertake unannounced spot checks on a periodic basis at the Trust's academies

to provide additional assurance that these procedures are being complied with.

Role of Academy Support Staff

Support staff at each Academy will work in close collaboration with the Central Finance team. Their main responsibilities will include:

- Cash collection and banking;
- Order and invoice and debtor account administration;
- Providing all financial information required by the Central Finance team to complete a monthly bank account reconciliation and produce management accounts;
- Management and monitoring of the individual academy payment cards;
- The maintenance of inventories in line with limits set out in these financial procedures;
- Payroll processing/checking;
- Notification to the Central Finance team of any staffing changes/leavers/starters/ amendments.

Detailed **Operating Procedures** are in place in each Trust for each Academy for all the above procedures. Procedures will not be amended without the approval of the CFO.

Role of Budget Holders

Headteachers may delegate non-staffing budgets as appropriate. Delegated budget holders are responsible for monitoring and managing their budget effectively.

Any potential overspends against the budget must be approved in advance with the CFO/COO/CEO.

All staff

All staff are responsible for the security of the Trust's property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources.

Register of Interests and Related Parties

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise, all members, directors, leadership team and staff with significant financial or spending powers are required to declare any

financial interests they have in companies or individuals from whom the Trust may purchase goods or services. Close family relationships within the Trust are also declared as per the Academy Trust Handbook requirements. The register is open to public inspection and published on the website.

It is the role of the Clerk to the Board of Directors to ensure the Register of Business Interests is up to date and that all meeting agendas have a declaration of interests item at the start of every meeting. Registers will be open to public inspection and published on the Trust's website.

An up to date copy of the register will be held by the Trust's Central Finance team and published online as required by the Academy Trust Handbook.

The existence of a register of business interests does not, of course, detract from the duties of Directors and staff to declare interests whenever they are relevant to matters being discussed at committee and is a standard item on every agenda. Where an interest has been declared, Directors and staff should not attend that part of any committee or other meeting.

Related Party transactions will only be entered within the restrictions of the Academy Trust Handbook and the not for profit requirements.

All related party transactions must be approved in advance of entering any contract or commitment by the CFO and then by the Trust Board. The CFO will verify the arrangement meets the restrictions and will notify/seek approval from the ESFA as required.

The ESFA must be notified in advance of all transactions with related parties and the Trust must obtain ESFA's prior approval for contracts for the supply of goods or services to the Trust by a related party agreed on or after 1 April 2019 where any of the following limits arise:

- a contract exceeding £20,000;
- a contract of any value that would take the total value of contracts with the related party beyond £20,000 in the same financial year ending 31 August;
- a contract of any value if there have been contracts exceeding £20,000 individually or cumulatively with the related party in the same financial year.

Gifts, Hospitality & Inappropriate Expenditure

Codes of Conduct for both staff and Directors and Governors (appended to the Scheme of Delegation) define the procedures to be followed whenever offers of gifts and hospitality are received. All offers over the value of £xx will be recorded in a Register of Gifts and hospitality maintained by the Central Finance team and

acceptance must be approved by the CEO. These registers will be monitored by the CFO.

The Trust's Gifts and Hospitality Policy is attached at **Appendix 2**.

5. Financial Planning and Medium Term Financial Plan (MTFP)

The Central Finance team will prepare both an annual budget and medium-term financial plan for the Trust overall and will work with individual Academies in preparing their own annual budgets. These plans are prepared to inform the Trust's strategic development planning processes for the next 3 years. The Trust's Strategic Plan identifies the development plan priorities over the medium term and the expected level of resources available to meet these and any other cost pressures

Annual budgets should reflect the priorities in each Academy's School Improvement Plan (SIP). SIPs should include cost estimates, both capital and revenue, associated with the achievement of each objective, including success criteria against which achievement can be measured. The Central Finance Team must be fully involved in the development of such plans.

6. Developing and Approving the Annual Budget

The Trust Board must approve a balanced budget for the forthcoming financial year and must minute this approval.

The budget process follows an annual planning cycle. A timetable for budget setting will be established by the CFO in advance of each year's process and will ensure that the budget information is ready for submission to the ESFA by the required deadlines.

The annual budget will reflect the best estimate of the resources available to the Trust for the forthcoming year and will detail how those resources will be utilised establishing clear links to support objectives identified in the School Improvement Plans for each Academy.

Please refer to the **Trust's Financial Reserves Policy** for more detail in this area.

If there is any doubt that a balanced budget can be maintained/set, the CFO/COO/CEO/Board must discuss immediately and make appropriate plans to take action to ensure this can be achieved. Consideration of the action plan to be given by the Trust Board for discussion and eventual ratification.

7. Financial Management - Monitoring & Reporting

The CFO will ensure that monthly management accounts are promptly prepared setting out the Trust's financial performance and position, comprising budget variance reports and cash flow forecasts with sufficient information to manage cash, debtors and creditors. These reports will be prepared at an individual academy and at a consolidated Trust level.

Management accounts will be shared each month with the Trust Chair and the CEO and with the other Directors at least six times a year. The Trust Board must consider these when it meets. The Trust Board **must** ensure appropriate action is being taken to maintain financial viability including addressing variances between the budget and actual income and expenditure.

Management accounts for each academy will be shared with Headteachers regularly and individual budget-holder reporting is shared as appropriate.

The CFO will ensure budget monitoring reports are prepared monthly together with a year-end outturn projection on at least a termly basis. These reports will contain key performance indicator reporting.

8. Financial Accounting System

The Trust uses the [xx] Accounting System and all financial transactions must be recorded using this system. Access rights are defined by the CFO for each user with a unique ID and password. Authorisation and supervisory controls, alongside segregation of duties of the Central Finance team will be adequate to ensure transactions are properly recorded and authorised and that errors are identified and rectified without delay.

It is the responsibility of the Central Finance team to maintain the integrity of the system parameters, master-files and chart of accounts.

9. HR Establishment Controls and Payroll

Staff Appointments and Contractual Changes

Any changes to the staffing structure of the Trust may only be approved in line with the Trust's **Scheme of Delegation**.

Working together with the in school Recruitment officer and Payroll provider, the Central Finance team staff are responsible for ensuring that the staff database on the budget planning software reconciles to the current budget.

Payroll Administration

The Trust's payroll processing is administered through a contractual arrangement with an external payroll provider.

Academy **Operating Procedures** detail the controls in place to ensure that the payroll is correctly processed each month and ensure that;

- only valid and authorised amendments are submitted and processed;
- Starters and leavers are correctly processed;
- Checks are completed to verify the overall payroll before payments are made;
- Separation of duties exists at all stages;
- Evidence of all checks completed is retained.

The payroll system automatically calculates the deductions due from salaries to comply with current legislation. The payroll provider is authorised to make BACS payments from the Trust's Bank Account by direct payment for the amounts due in statutory and voluntary deductions.

Payments to individuals and IR35

The Trust will operate the following rules when engaging any "off payroll" staff.

Senior employees will always be paid through the payroll in order for the Trust to ensure that tax obligations are fully met and not open to question.

All workers, including consultants and those operating through personal service companies, and self-employed basis who are not on the Trust's payroll must be passed to the central team to determine the correct treatment.

The central team will review each case and complete the government's Employment Status Indicator tool (ESI).

The results of the test will be printed off, reviewed and signed by the CFO, who will ensure that the correct employment status is implemented.

Any anomalies must be discussed with the Central Finance Team prior to engaging that individuals services.

Special staff severance payments

Non-contractual payments at the end of employment would only be paid if the Trust has concluded that the payment represented the best value for money compared to other options. The business case for such payments would be fully

documented and the guidance issued by the ESFA will be followed.

The Accounting Officer/CEO in conjunction with the Trust Chair shall be informed of any proposal to make a non-contractual payment up to £50,000 and may stipulate that their consent is obtained before any payment is made; the calculation of payments will be verified by the CFO to ensure compliance with the AFH.

Non-contractual payments over £50,000 require approval in advance from HM Treasury via the ESFA and no request for approval must be sent without the express approval of the CEO and Trust Chair.

Mileage Payments to Staff

Mileage will be approved and paid in accordance with the **Trust's Travel and Expenses Policy**.

Mobile Phones

Where a mobile phone is essential in carrying out a job role the Trust may enter into an appropriate mobile phone contract and lend the phone to the member of staff for usage. New phone contracts must be approved by the CFO.

Statements/invoices will be reviewed to ensure that any additional calls in excess of the monthly contracts are valid in line with **Operating Procedures**.

10.Competitive Purchasing Requirements and Limits

The Trust will aim to achieve best value for money for all its purchases ensuring that services are delivered in the most economical, efficient and effective way, within available resources, and with independent validation of performance achieved wherever practicable.

(The value of purchases is calculated as the value, excluding VAT, for the full duration of the contract including any extensions or options).

Orders up to £10,000

In purchasing all goods and services, budget holders should ensure that they review the use of existing resources and consider the cost, quality, reliability and availability. Fixed prices should be obtained for all purchases before orders are placed. Value for money should be demonstrated. Individual Headteachers may approve an order up to this limit.

Orders over £10,000 but less than £30,000

Three written quotations should be obtained for all orders between £10,000 and £30,000 to identify the best source of the goods/services and frameworks considered wherever possible. Written details of quotations obtained should be attached to the order placed and available for audit purposes. Telephone quotes are acceptable if these are documented and evidenced and confirmation of quotes has been received before a purchase decision is made. Individual Headteachers may approve an order between the specified amount, with CFO and CEO as additional signatories.

Orders over £30,000 but less than £75,000

The CFO must be consulted before the procurement process begins.

A specification of requirements and evaluation criteria will be drawn up in advance. All potential contractors invited to submit quotations shall be provided in all instances with identical information and instructions. Quotes will be evaluated by more than one individual and approved by the CFO/CEO and Finance and Resources Committee.

Orders over £75,000

All goods/services ordered with a value over £75,000, or for a series of contracts which in total exceed £75,000 must be subject to formal tendering procedures, detailed below, and will be managed by the CFO. Approval obtained and the CEO and Orders must also be approved the Finance and Resources Committee/Board prior to proceeding with successful tenderer.

Procurement Thresholds from 1st January 2022 (inclusive of VAT)

Procurement above UK PUBLIC CONTRACTS REQUIREMENTS thresholds must be carried out in accordance with the appropriate EU Procurement Directives, which the UK enforces through the Public Contract Regulations 2015.

In the first instance the **National Deals** signposted by the ESFA and existing EU compliant framework agreements established by public sector buying organisations, including the Church Marketplace when appropriate, will be explored and will be used where appropriate. When a framework is not a suitable option legal advice on the procedure is likely to be necessary.

For purchases above the threshold a procurement plan identifying the key tasks, responsibilities and authorisation routes must be approved by the Board of Directors before the procurement commences and progress will be monitored and

reported to Directors throughout the process. Where this is a procurement that is not from an existing framework this process is likely to draw on external procurement, technical and legal advice.

References

<https://www.gov.uk/guidance/transposing-eu-procurement-directives>

<http://www.legislation.gov.uk/ukxi/2015/102/contents/made>

11. Tendering Procedures (below UK PCR thresholds)

Tenders within a PSBO framework will follow the framework guidance.

Staff will refer to and follow the additional DfE guidance

<https://www.gov.uk/guidance/buying-for-schools>.

There are two main forms of tender procedure: open and restricted and the circumstances in which each procedure should be used are described below. The Trust must seek tenders on the most appropriate basis.

Open Tender: This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Director of Corporate Services how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical.

Restricted Tender: The Trust will normally invite at least four bidders. This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where there is a need to maintain a balance between the contract value and administrative costs.

Preparation for Tender

Full consideration should be given to: objective of project; overall requirements; technical skills required; after sales service requirements; form of contract terms and conditions.

The award criteria which are to be applied in evaluating tenders must be recorded in writing before the tenders are invited and must be stated in the documents sent to suppliers. It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

Invitation to Tender

If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.

An invitation to tender will normally be issued to at least four suppliers, and may include the following:

- scope and objectives of the project;
- technical requirements;
- selection criteria;
- implementation of the project;
- terms and conditions of tender and form of response;
- Technical/Suitability and qualifications of the contractor;
- Relevant experience of the contractor;
- Certificates of quality/conformity with standards;
- Quality control procedures;
- Details of previous sales and references from past customers.

Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be appropriate to commission a credit report.

Tender Acceptance Procedures

The invitation to tender should state the date and time by which the completed tender document should be received by the Trust. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline should not normally be accepted, unless the CFO and Trust Chair are satisfied that the tender was posted or dispatched on time but that delivery was prevented by an event beyond the control of the tenderer and that other tenders have not been opened.

Tender Opening Procedures

All tenders submitted should be opened at the same time and the tender details should be recorded. Tenders should be opened in the presence of the CFO (or other designated officer).

A record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.

Tendering Evaluation Procedures

The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

Full records should be kept of all criteria used for evaluation for contracts over £ and a report should be prepared for the Finance and Resources Committee highlighting the relevant issues and recommending a decision.

Exemption from Trust Tendering Requirements

(Applies to purchases threshold only)

These procedure do not apply to the following types of expenditure;

- Exam fees;
- Payroll transactions;
- School trips and other purchases where the Trust is acting as an agent processing funds received on the behalf of others;
- Risk Protection Arrangement;
- Any Diocesan levy or contribution to Diocesan costs.

Instances of all other types purchases that do not comply with the competitive purchasing requirements, for reasons such as sole supplier, specialist services etc. will require documenting and reporting for approval through the appropriate route depending on the value of the contract.

12.Delegated Responsibility levels for approval of expenditure.

The following limits apply to budgeted spend only and subject to the competitive purchasing requirements above.

- Headteachers – up to £10,000;
- Headteachers, CEO and CFO - over £10,000 less than £30,000;
- CEO and COO/CFO and Finance and Resources Committee - Over £30,000 less than £75,000;
- Finance and Resources Committee/Trust Board above £75,000.

13. Signing of Contracts

When a tender is accepted and a contract is entered into in behalf of the Trust only the officers as nominated in **Scheme of Delegation** at have the authority to sign a legally binding contract or agreement on the Trust's behalf.

Register of Contracts

The Central Finance team will maintain a **contracts register** which is to be updated on a continuous basis. This will aid with the planning and delivery of procurement decisions and obtaining value for money.

The process for raising requisitions and orders, receiving goods and paying invoices is detailed in the Academy **Operating Procedures**. Procedures ensure:

- Requisitions and orders are raised in all but exceptional circumstances;
- Invoice are only paid if matched with orders and GRNs;
- Invoices are valid and arithmetically correct;
- Invoices are coded correctly;
- Authorised in line with delegated limits;
- Suppliers are added to the register accordingly.

14. Payments

Manual cheques may be used by the Central Finance Team only in exceptional circumstances and made under the rules and regulations set out elsewhere in this manual. The only cheque books within the Trust are held by the Central Finance team. All bank accounts must have dual authorisation and at least three cheques signatories. All amendments to signatories must be approved by the CFO.

Direct Debits may be set up in certain circumstances, subject to the advance approval of the CFO.

BACS and direct transfer payments – See Individual Trusts operating procedures.

15. Other Purchasing

Petty Cash

Petty Cash will only be issued in exceptional circumstances and must be approved by the Central Finance Team and petty cash must only be used and controlled strictly within the instructions in the **Trusts Operating Procedures**.

Purchasing Cards

Purchasing cards have been issued for the purposes paying for goods and services when the normal ordering processes are not possible.

All purchasing cards will be subject to prior approval of the CFO and register of cardholders will be maintained by the Central team.

Each Cardholder will sign a **cardholder user agreement** and is responsible for following these guidelines.

Card statements will be promptly checked and reconciled to receipts by Central Staff. Statements will then be subject to appropriate authorisation by a more senior officer (the card of the CEO will be authorised by the CFO/Chair of Board).

16. Income

The main source of income for the Trust are the grants from the ESFA. The receipt of these funds is monitored by the Central Finance team who are responsible for ensuring all grants due to the Trust are collected.

Other Grants

Prior to any grant/ funding bids being prepared and submitted to any funder, the grant should be discussed with the CFO and Central Finance team who will support and co-ordinate the bid and grant bids across the Trust and this will be notified to the Finance and Resources Committee.

Approved grants need to be built into budget assumptions and budgets loaded in terms of both income and expenditure. The grant control file should be retained by Central Finance team with copies of the initial bid, the offer letter and the terms and conditions that need to be complied with.

Other Income collected by the Trust

The Trust collects income from parents or the public for:

- School Transport;
- School Meals;
- Trips and residential visits;
- Book bags & Uniform;
- Nursery Places;
- Breakfast & After School Club fees;
- Lettings.

The Trust may also receive donations from parents and other members or organisations within the community. The Trust also may obtain additional grant funding from the ESFA/DfE/Ofsted to fund the following operational supporting activities:

- Teaching School Alliance;
- NLE Grant income;

- DfE Hub or MAT growth funding;
- School Improvement;
- Ofsted inspection income.

The Trust may also set up separate legal entities/Trading Arms in order to generate additional funding for the benefit of the Trust. The funding will be 'gifted back' to the Trust.

Operating Procedures in each Academy provide detailed instructions regarding the receipt, reconciliation and banking of each income stream. The procedures ensure that all income is adequately controlled and safeguarded and Headteachers and the CFO will ensure that there is a clear segregation of duties to prevent one individual being able to undertake a complete transaction in isolation.

17. Bank Reconciliations

Each bank account is reconciled on at least a monthly basis in line with Operating Procedures.

Bank reconciliations will be completed and documented by the Central Finance team and then reviewed and approved by the CFO.

Debtors and liabilities

Debt Recovery – see Delegated Limits for write-off

Headteachers up to £50 in relation to pupil debt only.

Finance and Resources must approve all commercial debt write-offs and pupil debt above £50. The Trust may perform the following financial transactions up to the limits set out below:

- writing off debts and losses, including any uncollected fines; and
- entering into guarantees, indemnities or letters of comfort, excluding those relating to borrowing by the trust.

Limits:

- £45,000 per single transaction;
- cumulatively, 2.5% of total annual income in any one financial year per category of transaction for any academy trusts that have not submitted timely, unqualified financial returns for the previous two financial years. This category includes new academies that have not had the opportunity to produce two years of financial statements; and
- cumulatively, 5% of total annual income in any one financial year per category of transaction for any academy trusts that have submitted timely, unqualified financial returns for the previous two financial years.

Beyond these limits the Trust must seek and obtain explicit and prior approval of the Secretary of State, through the ESFA, for the transaction.

18. Treasury Management

Trust Banking Arrangements

The Trust has appointed Lloyds as their bankers for all current banking needs. The opening of all bank accounts must be authorised by the Trust's Finance & Resources Committee.

Cash Flow Forecasts

The Central Finance team is responsible for preparing monthly cash flow forecasts to ensure that the Trust has sufficient funds available to cover day-to-day operations and where possible allow the investment of surplus funds in line with the **Trust's Treasury Management & Investment Policy**.

Borrowing

In line with funding agreements, the Trust must seek ESFA's prior approval for borrowing (including finance leases and overdraft facilities) from any source, where such borrowing is to be repaid from grant monies or secured on assets funded by grant monies, and regardless of the interest rate chargeable. It is noted however that it is unlikely that such approval will be given. Purchasing cards must only be used for business (not personal) expenditure, and balances cleared before interest accrues.

Any transaction that may involve a form of borrowing or delayed repayment must be reviewed and approved by the CFO.

Refer to individual Operating Procedures.

Leasing

There are two types of lease:

- Operating leases - these do not represent borrowing;
- Finance leases: these are a form of borrowing and the Trust must obtain ESFA's prior approval before they are entered into. It is unlikely that such approval will be given.

Academies must seek approval from the CFO before entering any form of lease agreement. The consent of the Diocesan Directors is needed before any lease agreement can be entered into.

Fixed Assets

The treatment of Fixed Assets is detailed in the Trust's Assets & Disposals Policy and each Academy within the Trust must retain their list of assets. This will be used to provide an overarching asset register within the Trust.

Academy trusts must seek and obtain prior written approval from the Secretary of State, via the ESFA, for the following transactions:

- acquiring a freehold of land or buildings;

- disposing of a freehold of land or buildings; and
- disposing of heritage assets beyond any limits set out in the trust's funding agreement in respect of the disposal of assets generally;
- taking up a leasehold or tenancy agreement on land or buildings from another party for a term of seven or more years;
- granting a leasehold interest, including a tenancy agreement, of any duration, on land and buildings to another party.

The consent of the Diocesan Directors is needed before any purchase or disposal of freehold or leasehold property.

Inventories

It is the responsibility of each Academy to maintain an **inventory** of any portable item of equipment with an initial cost value of £200.

Reporting responsibilities for disposals, write offs, leases and assets

In all transactions, irrespective of whether the Secretary of State's approval is required, the Trust will:

- obtain relevant professional advice where appropriate, including that of their external auditor where necessary;
- ensure that the decision represents value for money, and is justified as such;
- agree internal delegation levels within the Trust; and
- disclose aggregate figures for transactions in each of the relevant categories as a note to their annual accounts. In addition, separate disclosure is required in the annual accounts of each transaction at 17 above £5,000.

Novel, contentious and repercussive transactions

Novel and contentious transactions must always be referred to the ESFA for explicit prior authorisation.

Novel payments or other transactions are those in which the Trust has no experience, or are outside the range of normal business activity for the trust.

Contentious transactions are those which might give rise to criticism of the Trust by the public or the media.

Repercussive transactions are those likely to cause pressure on other trusts to take a similar approach and hence have wider financial implications.

The ESFA consider that it is for trusts to use their judgement about when they

should seek the prior advice of the ESFA. Public money must always be spent prudently and in ways that command broad public support.

If there is any doubt whether a transaction could be seen as novel, contentious or repercussive academics must seek advice from the CFO.

1. ANTI-FRAUD, CORRUPTION AND BRIBERY STATEMENT

The Trust is an honest and ethical organisation. As such, it is opposed to and seeks to eliminate fraud and corruption by the way it conducts its business. The full Anti-Fraud, Corruption and Bribery Policy sets out the Trust's approach and procedures for dealing with the risk of significant fraud or corruption.

In order to minimise the risk and impact of fraud and corruption, the Trust's objective is to embed a zero tolerance culture which deters fraudulent activity, encourages its prevention and promotes its detection and reporting.

Any instance of suspected fraud, corruption or financial irregularity must be reported immediately to the CFO who will, in liaison with the Accounting Officer, judge how the matter is investigated and whether to involve the Police.

The Trust must notify the ESFA, as soon as is operationally practical based on its particular circumstances, of any instances of fraud, theft and/or irregularity exceeding £5,000 individually, or

£5,000 cumulatively in any academy financial year. Any unusual or systematic fraud, regardless of value, must also be reported.

2. TRUST GIFTS AND HOSPITALITY POLICY

1. Purpose

The purpose of this policy is to ensure that the Trust adheres to the required standards of conduct and that there is no perceived or real risk of corruption or conflict of interest.

2. Scope

The policy applies to all employees, members, directors and governors and should be read in conjunction with the Trust's Anti-Fraud, Corruption and Bribery Policy and the Employee Code of Conduct.

3. Policy for offers received

All offers of gifts or hospitality should be treated with caution.

The Code of Conduct provides full details of how to deal with all offers of gifts or hospitality. If employees, directors/governors are in any doubt about the acceptance of a gift or hospitality they should inform the Chief Financial Officer in advance and seek advice.

A register of gifts will be maintained in line with the policy and held by the Chief Financial Officer.

4. Policy for providing hospitality

The Trust may provide hospitality in connection with its carry out its affairs where it is appropriate for the circumstances. The hospitality may be provided to:

- Directors and Local governing body members;
- Staff;
- Representatives from firms or companies visiting the Trust;
- Any other visitors connected with the business of the Trust.

The hospitality provided should be modest and not normally exceed the provision of tea/coffee/sandwiches or working lunch or dinners.

5. No alcohol will be provided as part of either internal or external hospitality.

The ESFA is clear that alcohol purchases of any kind are inappropriate and should be treated as irregular expenditure by the Trust's external auditors.

Hospitality provided outside of the Trust premises shall require the authorisation of the CEO/Accounting Officer/COO.

6. Policy for providing gifts

The Trust may occasionally provide gifts, where it can be demonstrated that the use of academy funds is appropriate and has due regard to propriety and regularity in the use of funds, for example token gifts/flowers (up to value £50) may be given to:

- volunteers or speakers to acknowledge services provided to the Trust;
- a longstanding employee who leaves;
- an ill member of staff in exceptional circumstances.

All gifts will require the approval of the Chief Financial Officer and such approval will be documented.

7. Monitoring

The register of gifts offered and received will be reviewed termly/annually by the Resources Committee.

3. EXEMPTION FROM TRUST TENDERING PROCEDURES REQUEST

The Trust needs the power to waive the requirement of its internal tendering procedures in certain circumstances. No exemptions can be used if the estimated value of the goods or services exceeds OJEU thresholds.

An exemption from the Trust's requirements allows a contract to be placed by direct negotiation with one or more suppliers. All exemptions, and the reasons for them, must be recorded using the appropriate form. Exemptions shall be signed by the Accounting Officer, Chief Operating Officer and the Chair of the Trust's Finance & Resources Committee.

The following lists the details that allow exemptions:

- Any contract or sub contract that is substantially for the undertaking of services in which the exercise of specialist professional knowledge and skill is of primary importance and where such professional knowledge and skills is only available from a single provider, or a limited range of suppliers;
- For work, supplies and services which are patented or of a proprietary or special character and for which it is not possible or desirable to obtain competitive prices;
- Where for technical, commercial or artistic reasons or because of exclusive rights, it is not reasonable to advertise for tender;
- The Chief Operating Officer must be consulted where the contract is an extension to an existing contract and a change of supplier would cause:
 - Disproportionate technical difficulties;
 - Additional costs;
 - Significant disruption to the delivery of Academy operations;
- Where an exemption is necessary because of an unforeseeable emergency involving immediate risk to persons, property or serious disruption to Academy operations, the Accounting Officer or Chief Operating Officer may approve the exemption but must prepare a report for the next Trust Finance & Resources meeting to support the action taken.

The Chief Operating Officer must monitor the use of all exemptions and therefore all forms should initially be sent to this post holder. The signature sign off on the form details the order in which the list should be signed and approved.

4. FORM – EXEMPTION REQUEST FROM TRUST TENDERING PROCEDURES

Originator Employee

Academy/Trust

What is the main reason for the exemption based on the approved criteria for exemptions?

--

Please advise on details of the Company, amounts and duration of proposed contract

--

Please detail the reason why this approval cannot go through the standard procurement route

--

Approved yes/no – If no please detail the reason below

Approved by (Signature and Dates)

Chief Operating Officer

Accounting Officer

Chair of the Trust Finance & Resources Committee

COMMITTEE TERMS OF REFERENCE: FINANCE/AUDIT/RISK

1. The Directors have the power to establish any committee to assist in the conduct of the business of the Trust. If a committee is to have decision making authority, the committee board must comprise a majority of Directors, enabling a quorate decision to be made.
2. Details of the committees established by the Trust are noted in the Trust's Structure Chart appended to the Scheme of Delegation.
3. Where relevant the following functions may be delegated to any committee or committees dealing with matters of finance, audit and risk.
4. To be Quorate there must be 3 Directors attending the meeting

Finance

5. To ensure that the Trust Board is kept informed of all major financial issues concerning the Trust and its Academies, the overall Trust budget and those of the individual Academies, the management of funds against the budget, the benchmarking of financial performance and the heads of expenditure, the way funds are utilised (including value for money) and the way monies are secured.
6. To recommend the annual budget for the Trust and the Academies to the Trust Board for approval, having consulted Headteachers and (if appropriate) Local governing bodies.
7. To receive reports from the Headteachers regarding the Trust's/Academies' finances. This will include reports on the monitoring of income against expenditure and proposals to revise forecasts for the year. The committee will work with the Trust and the Headteachers to make any recommendations to the Trust Board.
8. To monitor the production, timeliness and accuracy of key financial statements in response to both statutory and local requirements.
9. To support (recommending and advising) the Trust Board in developing and then implementing a reserves policy and to consider the impact of strain in individual Academy budgets.
10. To support (recommending and advising) the Trust Board in developing and then implementing the Financial Regulations Manual and associated procurement policy.
11. To review tenders for major contracts as specified in the Financial Regulations Manual. To approve or reject tender proposals or, where required, make

recommendations to the Trust Board.

12. To recommend any changes in the Financial Regulations Manual, where significant, to the Trust Board. To review the operations of the Trust and the Academies in relation to the procedures shown in the Financial Regulations Manual. To work with the Headteachers to resolve breaches and to improve procedures as appropriate.
13. To monitor key financial and accounting systems and reviewing any audits of these or the general finances of the Trust and make recommendations to the Trust Board and/or the Local governing bodies as appropriate.

Audit and Risk

14. Advise and report to the Directors in relation any organisational risks which might impede the development and implementation of a long term strategy for the success of the Trust. The Directors shall consider any such advice given by the Audit Committee.
15. Support the Directors in developing an organisational structure which reflects the Trust's values and enables the management systems, structures and processes to work effectively in line with legal requirements and to ensure sound financial management.
16. Support the Directors in the formulation of financial and risk management policies for the Trust and the Academies for achieving the aims and objectives set out in the Trust's Development Plan or long term strategic vision.
17. Advise the Directors on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control and governance processes and securing economy, efficiency and effectiveness (value for money).
18. Regularly review the statement on internal control and make appropriate recommendation to the Directors and when appropriate communicate messages and advice to the Local governing body, liaising as necessary with any responsible officer appointed by the Local governing body to be responsible for financial oversight and risk management of the Academy's activities.
19. Support (and challenge when necessary) the Directors and in particular the Chief Executive Officer (being the Trust's "accounting officer") to ensure he or she satisfies his or her duty as accounting officer to:
 - 19.1. Ensuring value for money;
 - 19.2. Ensuring regularity and propriety;

- 19.3. Ensuring prudent and economical administration;
 - 19.4. Avoiding waste and extravagance;
 - 19.5. Ensuring the efficient and effective use of resources;
 - 19.6. Keeping proper accounts.
20. Establish and implement a system of financial and risk reporting by the Academies to the Directors and to oversee that reporting to ensure that such a system complies with the Trust's legal obligations.
 21. Review any financial and risk report submitted by the Academies and advising the Directors on any issues arising from it as well as making recommendations for future reports to sustain the integrity of the financial and risk management systems.
 22. Advise on the formulation and implementation of a policy for the approval and signing of contracts, ensuring all contracts to be entered into by the Academy are appropriate, have been authorised (or are within delegated authority) and do not expose the Academy to undue risk.
 23. Advise the Directors on the appointment, reappointment, dismissal and remuneration of auditors (both external auditors and internal audit).
 24. Monitor the effectiveness of auditors, including the use of auditor performance indicators.
 25. Ensure effective coordination between auditors ensuring that a consistent method of audit is adopted across all Academies.
 26. Ensure that additional services undertaken by auditors are compatible with the audit independence and objectivity.
 27. Agree the work programme of internal audit including the checking of financial controls, systems, transactions and risks.
 28. Consider the reports of the auditors and, when appropriate, advise the Directors and the Academies of material control issues.
 29. Monitor the implementation of agreed audit recommendations.
 30. Advise on policies for the securing of the funds and assets of the Trust including by the prevention of loss through fraud and irregularity.
 31. Ensure that all allegations of fraud and irregularity are appropriately investigated and control weaknesses addressed, working with the Directors and the Headteachers of the Academies, as appropriate.
 32. Recommend the annual financial statements to the Directors for approval.

COMMITTEE TERMS OF REFERENCE: ETHOS/STANDARDS/INTERVENTION

1. The Directors have the power to establish any committee to assist in the conduct of the business of the Trust. The committee board must comprise 3 Directors, enabling a quorate decision to be made.
2. Details of the committees established by the Trust are noted in the Trust's Structure Chart appended to the Scheme of Delegation.
3. The following functions may be delegated to any committee dealing with standards (including governance), school improvement and intervention.
4. It is anticipated that these tasks will be carried out in conjunction with the Trust's Leadership Group where a separate Standards Committee is appointed. If there is no separate Standards Committee, these tasks will be undertaken by the Leadership Group under the guidance of the Chief Executive Officer and with the support of the Trust's Executive Team.

Standards

5. To consider any appropriate curriculum priorities to be implemented across the Trust.
6. To ensure that any statutory and Diocesan requirements relating to key policies on academy aims, special needs, sex education, charging, religious education, collective worship, attendance and behaviour are implemented.
7. To assist the Chief Executive Officer and the Headteachers of the Academies, as appropriate, in the formulation of statutory policies. Any statutory policies must be ratified by the Trust Board.
8. To review the performance of the Academies against agreed Key Performance Indicators.
9. To support the Trust Board with the development of a strategic plan for any Supported Academy which identifies agreed priorities and targets for improvement, focusing specifically on both standards and resource planning.
10. To work with the Chief Executive Officer and the Headteachers in developing the awareness of the Local governing body of the Academy's curriculum priorities.
11. Assess the performance of the Academies as a group, developing a benchmarking tool which can be used to drive further improvements, advising the Trust Board on the effectiveness of this and liaising with the Diocesan Education Service to implement any Diocesan guidance or advice.

12. Seek to identify areas where greater collaboration between the Academies can improve standards and outcomes.
13. With the assistance of the Chief Executive Officer and the Diocesan Education Service, carry out periodic reviews of the standards of teaching and learning in each of the Academies.
14. To review and recommend to the Trust Board personnel procedures such as recruitment, redundancy, discipline, grievance, capability and pay policies, having regard at all times to any guidance issued by the Catholic Education Service.
15. To review employment practices of the Trust, recommending to the Trust Board adoption of new practices where appropriate.
16. To ensure that the employment and personnel functions of the Trust remain in line with legal requirements and the conduct of a good employer.
17. To support the Local Governing Bodies in reviewing the staffing structure and pay incentives of the Academies from time to time, working with the Chief Executive Officer and the Headteachers and the appropriate management teams, ensuring that the Trust structure maintains high performing academies.
18. To ensure there is a suitable and effective appeals procedures for HR matters.
19. To work with the Chief Executive Officer in engaging with the trade unions and maintaining good industrial relations, calling on the support of the Diocesan Education Service when needed.
20. To draft and keep under a review a policy statement on staff consultation for approval by the Trust Board and to undertake any formal consultations on personnel matters.
21. To review and recommend for adoption the procedures for dealing with discipline and grievances and ensure that all staff are informed of them.

Governance

22. In consultation with the Diocesan Education Service, to monitor the effectiveness of the Scheme of Delegation and to consult with staff and the Local governing bodies where change is advisable or has been recommended by the Diocesan Education Service.
23. In collaboration with the Diocesan Education Service, to develop and implement a programme of Director and Governor training.
24. To undertake a regular skills audit of both the Trust Board and each of the Local governing bodies and making appropriate recommendations to the Trust Board

for appointments and removals where necessary.

25. To vet all nominations for appointments to the Local governing bodies.
26. To support the Chairs of the Local governing bodies to ensure they are working effectively.
27. To develop and support the adoption of best practice in governance at all levels in the Trust, having regard to any advice and guidance of the Diocesan Education Service.
28. In consultation with the Diocesan Education Service, to advise the Trust Board on any intervention at Local governing body level where there has been a break down in governance.
29. To advise and lead on the appointments of clerks to the Trust Board and the Local governing bodies and to support their training to ensure they are knowledgeable about the governance arrangements within the Trust.

COMMITTEE TERMS OF REFERENCE: LEADERSHIP GROUP

1. The Directors have the power to establish any committee to assist in the conduct of the business of the Trust. If a committee is to have decision making authority, the committee board must comprise a majority of Directors, enabling a quorate decision to be made.
2. Details of the committees established by the Trust are noted in the Trust's Structure Chart appended to the Scheme of Delegation.
3. The purpose of the Leadership Group is to provide a focus for the setting of policy and to develop the strategic vision of the Trust. The Leadership Group will both support and advise the Trust Board and will facilitate communication between the Trust Board and the Local governing bodies as well as provide an opportunity for the Academies to explore and develop areas of collaboration and shared working.
4. The Trust Board will consult the Leadership Group regularly and specifically on the matters noted in the Trust's Leadership and Governance Decision Planner as being the responsibility of the Directors and the Chief Executive Officer.
5. All Headteachers and Chairs of the Local governing bodies will be invited to participate in the Leadership Group. The Chief Executive Officer will chair meetings of the Leadership Group and will report to the Trust Board on matters discussed and agreed within the Leadership Group.
6. In the event the Leadership Group becomes unworkable due to size or the location of the schools, the Trust Board may establish sub groups based on phase or location.
7. The Leadership Group will also act as a strategic advisor on educational matters to ensure the long term success of the Academies and that continuous improvement is made within all Academies.
8. The Leadership Group will assist with succession planning and the building of leadership capacity.
9. Meet regularly as required by the CEO.
10. The full Leadership Group (i.e. including Chairs of the Local governing bodies) will meet three times a year; in October, February and May. The agenda for the Headteacher meetings will be flexible and adapted to need. It is expected that the focus for the full Leadership Group meetings will include :

Collaboration, Governor skills, Training and Development, Admissions, Curriculum Priorities, Strategy, Vision, Review of the year and Forward Planning.

11. A representative of the Trust Board may be asked to attend at the invitation of the Chair of the Leadership Group. The Members will be informed of the dates for the meetings of the full Leadership Group on the expectation that periodically a representative of the Members may attend.
12. The Trust Board recognises the important role played by the Leadership Group and commits to keeping the Leadership Group informed and to have regard to any advice or guidance provided by the Leadership Group on any matter affecting the Trust or the Academies, including threats and opportunities facing the Academies and the Trust more widely.
13. The Leadership Group will work closely with any Standards Committee, supporting the functions to be carried out by the Standards Committee. If there is no separate Standards Committee, these tasks will be undertaken by the Leadership Group under the guidance of the Chief Executive Officer and with the support of the Trust's Executive Team.

COMMITTEE TERMS OF REFERENCE: LOCAL GOVERNING BODY

Purpose

1. A Local governing body (LGB) shall be established for each of the Academies, except where the Trust Board determines in a particular case that more than one Academy should be governed by the same LGB.
2. The purpose of the Local governing body is to provide local accountability and day to day support and oversight of the Academy's leadership team.
3. The roles and responsibilities of the Local governing body are set out in the Table of Key Delegated Responsibilities.

Constitution

4. Governors appointed to a Local governing body shall be appointed as follows:
 - 4.1. such number of Foundation Governors appointed by the Diocesan Bishop to ensure that the Foundation Governors outnumber all other Governors by at least 2;
 - 4.2. the Headteacher of the Academy (or Headteachers where the Academies are federated and there is no Executive Headteacher);
 - 4.3. up to 1 Staff Governor, elected or appointed through such process as the Local governing body may determine;
 - 4.4. up to 1 Parent Governor, elected by parents or carers of registered pupils at the Academy and being a parent or carer of a pupil at the Academy at the time when elected;
 - 4.5. up to 1 Additional (or Non-Foundation) Governor appointed by the Local governing body with the approval of the Trust Board.
5. There is no power to co-opt Governors to the Local governing body but advisers (including other members of staff in the Academy) may attend meetings provided they do not take part in any decision making.
6. All Governors must undertake to uphold the object and mission of the Trust and must comply with the Governor Code of Conduct appended to the Scheme of Delegation.

Term of Office

7. The term of office for any Governor shall be 4 years (save that this time limit shall not apply to the Headteacher or any post which is held ex officio, who will

serve for as long as he or she remains in office). Subject to remaining eligible to be a particular type of Governor, any person may be re-appointed or re-elected to the Local governing body.

8. A Governor shall serve for no more than 3 terms of office.

Resignation and Removal of members of the Local governing body

9. A Governor shall cease to hold office if he or she resigns his or her office or is removed by the Bishop or in the case of any Governor who is not a Foundation Governor by the Trust Board (which the Directors reserve the power to do without the need to provide any reasons for removal). Any vacancy on a Local governing body will trigger an appropriate appointment or election and must be notified to the Trust Board and the Diocesan Education Service.
10. Any person who would not be eligible to be a Director in accordance with the Trust's Articles of Association will not be eligible for appointment or election to the Local governing body and must resign from the Local governing body if they become ineligible. Details of eligibility to serve as a Governor are set out in the Governor Code of Conduct.
11. If any Governor is also an employee of the Trust and ceases to be employed to work at the Academy or within the Trust, then he or she shall be deemed to have resigned from the Local governing body and shall cease to serve on the Local governing body automatically on termination of his or her employment.
12. Where a person who serves on the Local governing body resigns his or her office or is removed from office, that person or, where he or she is removed from office, those removing him or her, shall give written notice thereof to the Chair of the Local governing body, copied to the Clerk to the Local governing body.

Appointment of the Chair and Vice-Chair

13. Subject to any direction by the Trust Board, Governors shall each school year (typically at the first meeting of the year) elect a Chair and Vice-Chair from amongst the Foundation Governors.
14. The Chair and Vice Chair will cease to hold office if they no longer serve as a Governor. The same person cannot hold more than one office.
15. The Clerk to the Local governing body shall act as chair during that part of any meeting at which the Chair and Vice Chair are elected.
16. Any election of the Chair and Vice Chair which is contested shall be held by secret ballot.

17. More details as to the role and responsibilities of the Chair are set out in the Governor Code of Conduct.

Meetings

18. The minutes of the proceedings of a meeting of the Local governing body shall be drawn up and entered into a book (electronic or otherwise) kept for the purpose by the person authorised to keep the minutes of the Local governing body and shall be signed (subject to the approval of the members of the Local governing body) at the same or next subsequent meeting by the person acting as chair thereof. The minutes shall include a record of:
- 18.1. all appointments of officers made by the Local governing body; and
 - 18.2. all proceedings at meetings of the Local governing body and of committees of the Local governing body including the names of all persons present at each such meeting.
19. The Chair shall ensure that copies of minutes of all meeting of the Local governing body (and such of the subcommittees as the Local governing body shall from time to time notify) shall be provided to the Chief Executive Officer and (if requested) the Diocesan Education Service as soon as reasonably practicable after those minutes are approved.
20. Subject to this Scheme of Delegation, the Local governing body may regulate its proceedings as Governors think fit, provided at all times that there is openness and transparency in matters relating to the Local governing body. The Local governing body is expected to meet at least once a term but may meet more often if felt appropriate or if requested to meet by the Trust Board.
21. The Trust Board may direct the Local governing body to allow either Directors, any member of the Trust's Executive Team or a Governor from another Local governing body in the Trust to attend meetings of the Local governing body. Such persons may engage in discussion but will not be permitted to vote on any resolution of the Local governing body.
22. Meetings of the Local governing body shall be convened by the clerk to the Local governing body. In exercising his functions under this Scheme of Delegation the clerk shall comply with any direction:
- 22.1. given by the Local governing body; or
 - 22.2. given by the Chair or, in his absence or where there is a vacancy in the office of chair, the Vice-Chair.
23. Any three Governors may, by notice in writing given to the clerk, requisition a

meeting of the Local governing body; and it shall be the duty of the clerk to convene such a meeting as soon as is reasonably practicable.

24. Each Governor shall be given at least seven clear days before the date of a meeting:

24.1. notice thereof and sent to each Governor at the email address provided by each Governor from time to time; and

24.2. a copy of the agenda for the meeting.

25. provided that where the Chair or, in his or her absence or where there is a vacancy in the office of Chair, the Vice-Chair, so determines on the ground that there are matters demanding urgent consideration, it shall be sufficient if the notice of a meeting, and the copy of the agenda thereof are given within such shorter period as he or she directs.

26. The convening of a meeting and the proceedings conducted thereat shall not be invalidated by reason of any individual not having received notice of the meeting or a copy of the agenda thereof.

27. A resolution to rescind or vary a resolution carried at a previous meeting of the Local governing body shall not be proposed at a meeting of the Local governing body unless the consideration of the rescission or variation of the previous resolution is a specific item of business on the agenda for that meeting.

28. A meeting of the Local governing body shall be terminated forthwith if:

28.1. the Governors so resolve; or

28.2. the number of Governors present ceases to constitute a quorum for a meeting of the Local governing body in accordance with paragraph 6.10, subject to paragraph 6.12.

29. Where in accordance with paragraph 6.10.2 a meeting is not held or is terminated before all the matters specified as items of business on the agenda for the meeting have been disposed of, a further meeting shall be convened by the clerk as soon as is reasonably practicable, but in any event within seven days of the date on which the meeting was originally to be held or was so terminated.

30. Where the Local governing body resolves in accordance with paragraph 6.10.1 to adjourn a meeting before all the items of business on the agenda have been disposed of, the Local governing body shall before doing so determine the time and date at which a further meeting is to be held for the purposes of completing the consideration of those items, and it shall direct the clerk to convene a meeting accordingly.

Quorum

31. The quorum for a meeting of the Local governing body, and any vote on any matter thereat, shall be three. The proceedings of the Local governing body shall not be invalidated by any vacancy on the board or any defect in the election, appointment or nomination of any Governor, providing the defect was not dishonestly made.
32. The Local governing body may act notwithstanding any vacancies on its board, but, if the numbers of persons serving is less than the number fixed as the quorum, the continuing persons may act only for the purpose of filling vacancies or of calling a general meeting.
33. Subject to this Scheme of Delegation, every question to be decided at a meeting of the Local governing body shall be determined by a majority of the votes of the persons present and entitled to vote on the question. Every Governor shall have one vote.
34. Where there is an equal division of votes, the Chair shall have a casting vote in addition to any other vote he or she may have.
35. A resolution in writing, signed by all the persons entitled to receive notice of a meeting of the Local governing body, shall be valid and effective as if it had been passed at a meeting of the Local governing body duly convened and held. Such a resolution may consist of several documents in the same form, each signed by one or more of the members of the Local governing body and may include an electronic communication by or on behalf of the member indicating his or her agreement to the form of resolution providing that the member has previously notified the Local governing body in writing of the email address or addresses which the Governor will use.
36. Minutes of meetings of the Local governing body shall be published redacting any aspect which is confidential or it would not be appropriate to disclose in light of the Data Protection Act 2018.
37. Any Governor shall be able to participate in meetings of the Local governing body by telephone or video conference provided that the Governor has indicated prior to the meeting a wish to do so and has provided appropriate details to enable this and the meeting has access to suitable equipment.

Notices

38. Any notice to be given to or by any person pursuant to these Terms of Reference and more generally the Scheme of Delegation (including a notice

calling a meeting of the Local governing body) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In this Scheme of Delegation, “address” in relation to electronic communications, includes a number or address used for the purposes of such communications.

39. A notice may be given by the Local governing body to its members either personally or by sending it by post in a prepaid envelope addressed to the member at his or her registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the Local governing body by the Governor. A member whose registered address is not within the United Kingdom and who gives to the Local governing body an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him or her at that address, but otherwise no such member shall be entitled to receive any notice from the Local governing body.
40. A Governor present, either in person or by proxy, at any meeting of the Local governing body shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.
41. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.

Introduction

As a charity and company limited by guarantee, [name of the Catholic Education Trust] (the “Trust”) is governed by a Board of Directors (the “Directors”). The Trust’s charitable purpose is the advancement of the Catholic religion and the Trust is accountable to the Bishop of Lancaster, the diocesan authority for the purposes of the academies and the religious authority for all matters. Notwithstanding whether a Director is appointed by the Bishop (i.e. as a Foundation Director) or by the Board of Directors (i.e. Co-opted Directors and Non Foundation Directors), all Directors must comply with the wishes of the Bishop and fulfil the charitable object of the Trust, acting at all times in observance of the values of the Catholic Church. The Bishop is a Member of the Trust and appoints all other Members.

Whilst the Directors are accountable to the Bishop and the other Members of the Trust, the Directors have overall responsibility and accountability for all strategic and operational matters within the Trust and have been delegated decision making authority by the Members. The Board is intended to be strategic not operational and has delegated the day to day management of the business and the responsibility for the running of the academies to those officers of the Trust with executive and leadership responsibilities. The Board’s main purpose is to:

- determine the vision and values of the Trust consistent with those of the Bishop;
- support leadership in determining and fulfilling the strategic direction of the Trust;
- hold leadership to account and ensure staff well-being; and
- oversee the financial performance of the Trust ensuring there are systems in place to manage risk and ensure money is well spent.

The Directors have established Local governing bodies to assist them in fulfilling these governance responsibilities and to provide additional support to leadership. Further detail can be found in the Trust’s Scheme of Delegation.

The Trust is an exempt charity whose principal regulator is the Secretary of State for Education. Whilst this means the activities and constitution of the Trust are primarily determined by the Department for Education subject to the wishes of the Bishop, nevertheless the Trust is subject to company law and charity law and occasionally the jurisdiction of the Charity Commission. The Directors therefore have both responsibilities as directors of a company and Directors of a charity.

Legal Duties of the Directors

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

- To ensure compliance with any legal obligations;
- To report on the charity's activities (the Trust must prepare accounts in accordance with the Statement of Recommended Practice for Charities, the so called Charity SORP);
- To fulfil the charitable object of the charity as set out in its constitution (the Articles of Association) and to act in a way which is compliant with the rules of the charity contained in the Articles and the Diocesan Memorandum of Understanding;
- To act with integrity and to avoid any personal conflicts of interest and not to misuse any charity funds or assets;
- To act prudently in the financial management of the charity, avoiding putting any assets, funds or reputation of the charity at undue risk;
- To exercise reasonable care and skill, using personal knowledge and experience to ensure the charity is well run and efficient;
- To act responsibly, getting advice from others, including professional advisors, where appropriate.

Under company law the Directors must avoid conflicts of interest and act prudently. There are specific legal duties where a company is insolvent or there is a threat of insolvency. More detail can be found in the **Academy Trust Handbook** and Directors must be especially careful where they may have a personal interest in a matter which involves the Trust. Familial relationships at Board and leadership level are discouraged. Directors must comply with the Trust's Conflict of Interest policy which will also address any specific requirements regarding trading with connected parties. Directors must act independently and in the best interest of the Trust even if those interests conflict with those of the body or organisation that might have appointed or nominated such Directors to serve on the Board. The role of a Director is unpaid (except for the reimbursement of reasonable expenses).

All Directors will be approved by the Diocesan Education Service. Foundation Directors are appointed by the Bishop and will be practising Catholics. Non Foundation Directors may be appointed by the Trust Board or by the Bishop, but in both cases with the approval of the other. Whilst Non Foundation Directors are not expected to be practising Catholics, they will nevertheless be expected to preserve and uphold the Catholic character of the Trust and fulfil the wishes of the

Bishop in so far as these relate to the management of the Trust and its Schools. Directors are appointed for a term of 4 years and can be reappointed on the expiry of such term provided that no Director is to be appointed for more than 3 terms of office.

Specific Duties of the Directors

The specific tasks and responsibilities of the Directors are as follows, to:

- hold governance accountability;
- determine strategic vision and overarching strategic plan;
- provide strategic leadership and governance;
- provide challenge and support to senior leaders undertaking the recruitment and performance of any chief executive officer;
- develop and decide strategic and operational policies;
- facilitate collaboration;
- co-ordinate and oversee shared services and resources;
- develop and oversee the implementation of Trust development plan;
- approve of performance benchmarks;
- approve overall Trust budget and advise on School budgets;
- monitor expenditure in accordance with appropriate authorisations;
- oversee financial governance and risk management;
- determine the Trust's reserves/contingency policy;
- ensure appropriate insurance or risk cover is put in place;
- undertake recruitment of headteachers and facilitate the performance management of senior leaders;
- develop shared staff training programmes and opportunities for professional development;
- support the development and building of leadership and governance capacity at School level;
- approve of site and asset management strategy;
- oversee any significant capital expenditure and building projects;
- approve of all funding applications;
- decision maker for all appeals.

Individual Directors may be given primary responsibility for particular functions such as audit and financial management, HR, Trust policies and procedures, safeguarding, academy liaison and communication with the view to matching skills and experience to functions. This will not affect collective and overall individual responsibility and accountability but Directors are expected to use their skills and experience in the fulfilment of their duties.

Core Competencies and Skills

The following are the core competencies and skills expected of all Directors:

- To work as a team;
- To attend meetings and be prepared to contribute to discussions and commit to agreed actions;
- To be respectful of the views of others and to be open to new ideas and thoughts;
- To treat all confidential information confidentially;
- To act with integrity, avoiding any personal conflicts of interest and complying with the Trust's Conflict of Interest policy;
- To develop a deep understanding of the vision and ethos of the Trust and its academies and the roles played by all individuals in fulfilment of the Trust's mission;
- To understand the policies and procedures of the Trust and how these flow down to the academies;
- To support the Trust in public and act as an ambassador of the Trust and the academies;
- To commit to training and skills development;
- To be ready to ask questions;
- To be focussed on problem solving and be ready to learn from past experiences;
- To adhere to the Nolan **Seven Principles of Public Life**.

Personal Qualities and Values

The role of a Director is challenging but should be rewarding. Directors are expected to be held in high regard and to provide an example to others. As such, Directors will have the following qualities and values:

- A desire to create positive change and life experiences for young people;
- A deep seated commitment to the aims and objectives of the Trust and the Catholic Church;
- A willingness to devote time and energy;
- An ability to build productive and supportive professional relationships;
- A commitment to equal opportunities and anti-discriminatory practices;
- An understanding of the importance of keeping children safe;
- An ability to think and act strategically;
- An ability to use financial and workforce data to inform decision-making;
- Appropriate levels of literacy in English;
- A person who is reliable, acts with integrity and is capable of good independent judgement;
- Is able to satisfy any requirements set by the Bishop.

Specific skills may be needed if a Director is to take responsibility for and lead on a specific area or to meet a skills shortage that has been identified. The Trust has additional expectations of its Chair and Vice Chair and these are appended to this Code of Conduct. A regular skills audit will be undertaken and Directors should expect to be able to articulate their contribution to the success of the Trust and the academies.

Legal Requirements

Before appointment a DBS check will be made and enquiries made to establish that Directors satisfy on an ongoing basis the legal requirements for charity Directors. A list of disqualifying reasons is provided by the Charity Commission, click **here** for details. Individuals who are disqualified from being a charity trustee are deemed to have resigned with immediate effect.

Removal of a Director

Any concerns regarding a Director's behaviour and actions which may impact adversely on the Trust or fellow Directors will be addressed either by the Bishop or the Chair of the Trust. Except where changes to the Trust Board are made for operational reasons for example to address skills shortages or to satisfy the requirements of the Bishop, steps to remove a Director for personal reasons are expected to be taken only in exceptional circumstances for example involving the following:

- A failure to uphold the Catholic values of the Trust and in a way that is contrary to Catholic teaching;
- There has been serious misconduct (which will be considered on a case by case basis but as a guide any breach of this Code of Conduct will give rise to a legitimate complaint);
- A Director displays repeated and serious incompetence (e.g. consistently fails to attend meetings and/or engage with training or address any skills gaps such that their ability to make a meaningful contribution is compromised);
- The Director has engaged in conduct or behaviour which is aimed at undermining fundamental British values of democracy, the rule of law, individual liberty, mutual respect and tolerance of those with different faiths and beliefs;
- The actions of the Director are significantly detrimental to the effective operation of the Trust Board or the Trust more widely, distracting the Trust Board from its core strategic functions and/or the actions of the Director interfere with the operational efficiency of the Trust or any of its academies thereby wasting a significant amount of executive, headteacher and/or senior leadership time;

Any decision to remove will be made in accordance with the Trust's Articles of Association and applicable law. Any right of appeal will be subject to applicable law.

Review

This Director Code of Conduct has been adopted by the Trust Board on the date set out below. It is subject to regular review.

July 11th 2023

Additional Expectations of the Chair and Vice Chair

The Chair and Vice Chair are elected by and from amongst the Trust Board, but they must be Foundation Directors and regard must be had to any further requirements of the Bishop.

Elections are expected to take place at the beginning of every year and any interim appointment (for example following the resignation of the current Chair) will be terminated or confirmed at the next appropriate meeting.

Specific Duties

The Chair's specific duties are to:

- Ensure the Bishop's wishes are fulfilled, liaising directly with the Diocesan Education Service and representatives of the Bishop;
- Provide a clear lead and direction for the Board in formulating and delivering the vision for the Trust;
- Build an effective team, attracting individuals to the Board with necessary skills and experience, promoting equality and diversity, ensuring priority is given to those who can make a positive contribution to work of the Trust and driving school improvement across all academies;
- Ensure new Directors are properly introduced to the work of the Trust and the Board and to support their development as effective and valued members of the Board maximising their contribution to the Trust in doing so;
- Work closely with the senior or chief executive officer to ensure there is proper challenge and encouragement of Directors, executive officers and those with leadership responsibilities;
- Provide direct support to the senior or chief executive officer and take the lead in the recruitment and performance management of this role as well as the review of pay and conditions of service;
- Take a lead role in any decision to suspend or discipline the senior or chief executive officer;
- Ensure that school improvement is the focus of all policy and strategy for the Trust, reminding the Directors of this as often as necessary;
- Hold the Directors to account, ensuring the business of the Board is conducted efficiently and effectively, chairing meetings ensuring all Directors have the opportunity to contribute and are listened to with clear decisions being made when necessary, including reporting on the Board's

effectiveness to the Members as required;

- Be available when there is a need to act quickly, taking, or supporting the senior or chief executive officer in taking, urgent action and making decisions, subject to subsequent ratification by the Board as necessary;
- Act a focal point and advocate for the Board, liaising as necessary with any regulatory body, the Local governing body and those representing the wider community.

Specific Responsibilities

As the guardian of the Board's effectiveness, the Chair has a specific responsibility to ensure:

- That reporting by executive officers is clear, concise, appropriate and comprehensive, reducing unnecessary paperwork;
- That meetings of the Board are held regularly and there is a clear agenda which has been communicated to all Directors which focusses appropriately on strategic matters, acknowledging that when urgent meetings are required to discuss exceptional business that as much preparation as may be possible is made for these;
- That the business of the Board is conducted as openly and transparently as possible;
- That decisions taken by the Board are implemented and not circumvented;
- That Directors adhere to the Director Code of Conduct and that the Chair takes appropriate and firm action where this appears not to be the case;
- That the Board undertakes regular reviews of any skills gaps or lack of experience and/or capacity and takes active steps to address these;
- That the Board remains focussed on the Trust's key strategic priorities and that individual Directors either as a group or committee or as individuals do not seek to become overly involved in operational matters;
- There is proper and adequate succession planning;
- That any complaints about the Trust, the actions of the Board or an individual Director or the senior or chief executive officer are dealt with in a timely and effective manner.

Additional Skills

As well as the skills required of a Director, the Chair should be able to demonstrate the following attributes:

- An understanding of the framework within which corporate bodies function;
- Strong communication skills;
- Ability to prioritise;
- Ability to chair meetings and encourage the participation of others;
- Ability to build and lead a team;
- Leadership or managerial experience;
- Ability to delegate;
- Ability to mediate.

GOVERNOR CORE COMPETENCIES AND CODE OF CONDUCT

Introduction

Mater Ecclesiae Catholic Multi Academy Trust (the “Trust”) has been established by the Bishop of Lancaster to safeguard Catholic education in the Diocese. The Trust is governed by a Board of Directors (the “Directors”). The Directors have overall responsibility and accountability for the Trust, reporting to the Bishop as required. The Board has delegated authority to act on behalf of the Trust. The Board fulfils a strategic function and its main purpose is to:

- determine the vision and values of the Trust consistent with those of the Bishop;
- support leadership in determining and fulfilling the strategic direction of the Trust;
- hold leadership to account and ensure staff well-being; and
- oversee the financial performance of the Trust ensuring there are systems in place to manage risk and ensure money is well spent.

The Directors have established local governing bodies to assist them in fulfilling these governance responsibilities and to provide additional support to leadership. The Governors serving on these local governing bodies are answerable to the Directors and the Bishop. All Governors, including those not appointed by but with the approval of the Bishop, must comply with the wishes of the Bishop and fulfil the charitable object of the Trust, acting at all times in observance of the values of the Catholic Church. The main functions of the local governing bodies are to:

- ensure the Academy meets the needs of its community;
- protect the Academy’s character and distinctiveness;
- support teaching and learning to ensure high quality provision;
- safeguard pupil and staff well-being; and
- ensure the Academy works within its budget.

Further detail can be found in the Trust’s Scheme of Delegation.

Duties of the Governors

Whilst Governors are not Directors or directors of the Trust and therefore are not subject to the normal legal responsibilities of charity Directors, Governors are expected to act in good faith in the best interests of the Trust and the Academies for whom the Trust has responsibility. This means Governors have a responsibility

to do the following when dealing with matters for the Academy:

- To ensure compliance with any legal obligations;
- To act in a way which is compliant with the charitable object of the Trust, its Articles of Association and the Scheme of Delegation, including the Diocesan Memorandum of Understanding;
- To act with integrity and to avoid any personal conflicts of interest and not to misuse any Trust or Academy funds or assets;
- To act prudently in the financial management of the Academy, avoiding putting any assets, funds or reputation of the Academy or the Trust more widely at undue risk;
- To exercise reasonable care and skill, using personal knowledge and experience to ensure the Academy is well run and efficient;
- To act responsibly, getting advice from others, including professional advisors, where appropriate.

There is specific emphasis on the obligation on Governors to avoid conflicts of interest and to act prudently in the **Academy Trust Handbook** and Governors must be especially careful where they may have a personal interest in a matter which involves either the Trust or the Academy. Familial relationships at Governor and leadership level are discouraged. Governors must comply with the Trust's Conflict of Interest policy.

Governors must act independently and in the best interest of the Trust even if those interests conflict with those of the body or organisation that might have appointed or nominated them to serve on the local governing body. The role of a Governor is unpaid (except for the reimbursement of reasonable expenses).

Governors are appointed for a term of 4 years and can be reappointed on the expiry of such term provided that no Governor is to be appointed for more than 3 terms of office. Foundation Governors are appointed by the Bishop and will be practising Catholics.

Specific Duties of the Governors

The specific tasks and responsibilities of the Governors (and the local governing body) are to:

- decide the Academy's strategic vision and uphold the Academy's distinctiveness and unique Catholic character, in harmony with the Trust's strategic vision and ethos;
- support senior leadership team generally and with specific emphasis on target setting, pupil monitoring and analysing progress data to inform

curriculum and budgeting priorities;

- approve of Academy development/action plan;
- approve any significant capital expenditure;
- oversee expenditure ensuring the Academy works within its budget and implement the Trust's risk and financial management policies ensuring probity, prudence and efficiency;
- play an active part in the recruitment of the headteacher by the Trust Board;
- support the senior leadership team in the development and review of an appropriate staffing structure;
- support the headteacher in the recruitment and performance management of personnel;
- responsible for staff welfare and well-being, supporting the senior leadership team in monitoring absence and sickness;
- promote collaboration with other schools in the Trust;
- develop and review delegated school policies (e.g. admissions, pupil behaviour, safeguarding);
- provide advice and feedback to the Directors, ensuring the Academy is meeting the needs of its community;
- undertake all and any appropriate community consultation;
- provide a point of contact for parents, carers and other members of the local community, maintaining an effective link to the wider community;
- evaluate its performance ensuring appropriate training and development so that knowledge, skills and behaviour are appropriate for a dynamic education environment.

Individual Governors may be given primary responsibility for particular functions such as standards/school improvement, budgets, safeguarding, community liaison and communication with the view to matching skills and experience to functions. This will not affect collective and overall individual responsibility and accountability but Governors are expected to use their skills and experience in the fulfilment of their duties.

Core Competencies and Skills

The following are the core competencies and skills expected of all Governors:

- To work as a team;

- To attend meetings and be prepared to contribute to discussions and commit to agreed actions;
- To be respectful of the views of others and to be open to new ideas and thoughts;
- To treat all confidential information confidentially;
- To act with integrity, avoiding any personal conflicts of interest and complying with the Trust's Conflict of Interest policy;
- To develop a deep understanding of the vision and ethos of the Trust and its Academies and the roles played by all individuals in fulfilment of the Trust's mission;
- To understand the policies and procedures of the Trust and how these flow down to the Academies;
- To support the Trust in public and act as an ambassador of the Trust and the Academies;
- To commit to training and skills development;
- To be ready to ask questions;
- To be focused on problem solving and be ready to learn from past experiences;
- To adhere to the Nolan **Seven Principles of Public Life**.

Personal Qualities and Values

The role of a Governor is challenging but should be rewarding. Governors are expected to be held in high regard and to provide an example to others. As such, Governors will have the following qualities and values:

- A desire to create positive change and life experiences for young people;
- A deep seated commitment to the aims and objectives of the Trust and the Catholic Church;
- A willingness to devote time and energy;
- An ability to build productive and supportive professional relationships;
- A commitment to equal opportunities and anti-discriminatory practices;
- An understanding of the importance of keeping children safe;
- An ability to think and act strategically;
- An ability to use financial and workforce data to inform decision-making;
- Appropriate levels of literacy in English;

- A person who is reliable, acts with integrity and is capable of good independent judgement;
- Is able to satisfy any requirements set by the Trust Board and the Bishop.

Specific skills may be needed if a Director is to take responsibility for and lead on a specific area or to meet a skills shortage that has been identified. The Trust has additional expectations of the Chair and Vice Chair of the local governing body and these are appended to this Code of Conduct. A regular skills audit will be undertaken and Governors should expect to be able to articulate their contribution to the success of the Trust and the Academies.

Legal Requirements

Before appointment a DBS check will be made and enquiries made to establish that Governors satisfy on an ongoing basis the legal requirements for charity Directors. A list of disqualifying reasons is provided by the Charity Commission, click **here** for details. Individuals who are disqualified from being a charity trustee are deemed to have resigned with immediate effect.

Removal of a Governor

Any concerns regarding a Governor's behaviour and actions which may impact adversely on the Church, the Trust, the Academy or fellow Governors will be addressed either by the Bishop (who has the power to remove any Foundation Governor) or the Chair of the local governing body (or if need be by the Trust Chair). Except where changes to the local governing body are made for operational reasons, for example, to address skills shortages or to satisfy the requirements of the Bishop, steps to remove a Governor for personal reasons are expected to be taken only in exceptional circumstances, for example, involving the following:

- A failure to uphold the Catholic values of the Trust and in a way that is contrary to Catholic teaching;
- There has been serious misconduct (which will be considered on a case by case basis but as a guide any breach of this Code of Conduct will give rise to a legitimate complaint);
- A Governor displays repeated and serious incompetence (e.g. consistently fails to attend meetings and/or engage with training or address any skills gaps such that their ability to make a meaningful contribution is compromised);
- The Governor has engaged in conduct or behaviour which is aimed at undermining fundamental British values of democracy, the rule of law,

individual liberty, mutual respect and tolerance of those with different faiths and beliefs;

- The actions of the Governor are significantly detrimental to the effective operation of the local governing body, the Academy or the Trust more widely, distracting the local governing body from its core strategic functions and/or the actions of the Governor interfere with the operational efficiency of the Academy or the Trust thereby wasting a significant amount of executive, headteacher and/or senior leadership time.

The decision to remove a Governor will be made by the Bishop on the advice of the Trust Board, who will consult both the Academy headteacher and the Chair of the local governing body. Any decision to remove a Governor will be communicated to the Governor concerned who will be given an opportunity to make representations (in writing or verbally) to those removing him or her. It is not expected (or required by law) that the written details of the case against the Governor will be provided.

Review

This Governor Code of Conduct has been adopted by the Trust Board on the date set out below. It is subject to regular review.

11th July 2023

Additional Expectations of the Chair and Vice Chair

The Chair and Vice Chair are elected by and from within the local governing body, but they must be Foundation Governors. Regard must be had to any recommendations from the Trust Board, or any requirements of the Bishop. If the Trust Board requires that its approval be sought to any appointment of the Chair and Vice Chair (which the Directors are free to decide from time to time), then any appointment by the local governing body will be subject to ratification by the Trust Board. Elections are expected to take place at the beginning of every year and any interim appointment (for example following the resignation of the current Chair) will be terminated or confirmed at the next appropriate meeting.

Specific Duties

The Chair's specific duties are to:

- Ensure the Bishop's wishes are fulfilled;
- Provide a clear lead and direction for the local governing body;
- Build an effective team, attracting individuals to the local governing body with necessary skills and experience, promoting equality and diversity, ensuring priority is given to those who can make a positive contribution to the Academy and the work of the Trust and who will provide a focus for driving up and maintaining high standards in the Academy;
- Ensure new Governors are properly introduced to the work of the local governing body and the Trust more widely and to support their development as effective and valued members of the local governing body maximising their contribution to the Academy and the Trust in doing so;
- Work closely with the headteacher of the Academy to ensure there is proper challenge and encouragement of Governors and the Academy's senior leadership team;
- Provide direct support to the headteacher of the Academy and to both the Trust Chair and any chief executive officer of the Trust in relation to any recruitment and performance management of this role as well as the review of pay and conditions of service;
- Provide support to the Trust Chair and any chief executive officer in any decision to suspend or discipline the headteacher of the Academy;
- Ensure that school improvement is the focus of all policy and strategy for the Academy, reminding Governors of this as often as necessary;
- Hold the Governors to account, ensuring the business of the local governing

body is conducted efficiently and effectively, chairing meetings ensuring all Governors have the opportunity to contribute and are listened to with clear decisions being made when necessary, including reporting on the local governing body's effectiveness to the Trust Board as required;

- Be available when there is a need to act quickly, taking, or supporting the Academy headteacher (and if need be any chief executive officer) in taking, urgent action and making decisions, subject to subsequent ratification by the local governing body (and/or Trust Board if need be) as necessary;
- Act as a focal point and advocate for the local governing body, liaising as necessary with any regulatory body, the local governing body and those representing the wider community.

Specific Responsibilities

As the guardian of the local governing body's effectiveness, the Chair has a specific responsibility to ensure:

- That reporting by the Academy headteacher is clear, concise, appropriate and comprehensive, reducing unnecessary paperwork;
- That meetings of the local governing body are held regularly and there is a clear agenda which has been communicated to all Governors which focusses appropriately on strategic matters, acknowledging that when urgent meetings are required to discuss exceptional business that as much preparation as may be possible is made for these;
- That the business of the local governing body is conducted as openly and transparently as possible;
- That decisions taken by the local governing body are implemented and not circumvented;
- That Governors adhere to the Governor Code of Conduct and that appropriate and firm action is taken where this appears not to be the case, including supporting the Trust Chair when removal of a Governor is required;
- That the local governing body undertakes regular reviews of any skills gaps or lack of experience and/or capacity and takes active steps to address these;
- That the local governing body remains focussed on its strategic purpose and that individual Governors either as a group or committee or as individuals do not seek to become overly involved in operational matters or seek to disrupt the work of the Trust;

- There is proper and adequate succession planning;
- That any complaints about the Trust or the Academy, the actions of the local governing body or an individual Governor or the headteacher are dealt with in a timely and effective manner.

Additional Skills

As well as the skills required of a Governor, the Chair should be able to demonstrate the following attributes:

- An understanding of the framework within which corporate bodies function;
- Strong communication skills;
- Ability to prioritise and delegate;
- Ability to chair meetings and encourage the participation of others, including mediate;
- Ability to build and lead a team;
- Leadership or managerial experience.

MEMORANDUM OF UNDERSTANDING

Introduction

In light of the significant changes affecting Catholic schools in the Diocese and nationally brought about by the Academies Act 2010, the Bishop and the Diocesan Directors, having consulted with all Diocesan schools (both voluntary aided and academy), have set out in this Memorandum of Understanding their expectations of the schools and what might be expected of them. This is to ensure that the schools continue (irrespective of any change in status from voluntary aided to academy) to be conducted as Catholic schools in accordance with the canon law and teachings of the Roman Catholic Church and in accordance with the Trust Deed of the Diocese of Lancaster so that at all times the schools may serve as a witness to the Catholic faith in Our Lord Jesus Christ.

Changes to this Memorandum of Understanding will be made by the Bishop at any time and at his discretion. It is issued as a directive of the Bishop and as such it is binding on the schools and any multi academy trust established by the Bishop and must be complied with.

Why does the Church provide Catholic Schools?

The Church provides Catholic schools to:

- Assist in its mission of making Christ known to all people;
- Assist parents, who are the primary educators of their children, in the education and religious formation of their children;
- Be at the service of the local Church – the diocese, the parish and the Christian home;
- Be a service to society.

The vision for the education of children in Catholic schools is based on answering the fundamental question, posed by Pope Benedict XVI: *“What kind of person would you really like to be?”* Education in the Diocesan family of schools is about enabling children and young people to grow as human persons; working together, the aim is to provide a rounded education for the whole person.

Education must pay regard to the formation of the whole person, so that all may attain their eternal destiny and at the same time promote the common good of society. Children and young people are therefore to be cared for in such a way that their physical, moral and intellectual talents may develop in a harmonious manner, so that they may attain a greater sense of responsibility and the right use of freedom and be formed to take an active part in social life. (Code of Canon Law -

Catholic education is inspired by a vision of life seen whole, embracing the fullness of human experience and its expression in the life of the individual, in the family, in the local community and in society at large. We are created for goodness; we want to help children and young people fulfil that promise and enrich the world as they grow from childhood to mature citizenship.

The vision of a Christ-centred community of faith finds its meaning and purpose in Jesus Christ himself, who taught that he is the 'way, the truth and the life'.

The mission of schools is to develop a sense of truth, of what is good and beautiful. And this occurs through a rich path made up of many ingredients. True education enables us to love life and opens us to the fullness of life. (Pope Francis – Address to Italian School Teachers – 10 May 2014).

Governors, headteachers, senior leaders and all staff must reflect the image of Christ and go about their work with children, families, parishes and local communities in a manner that gives witness to the Catholic faith in our Lord Jesus Christ and Gospel values in action.

Christ is the foundation of the whole educational enterprise in a Catholic school. (The Catholic School, 977 - 34)

Core Principles

There are some core principles that underpin our Diocesan Catholic schools.

The key areas of the distinctive nature of Catholic education are recorded in *Principles, Practices and Concerns* (Bishops' Conference 1996) and can be considered as underlying principles:

- The **search for excellence** as an integral part of the spiritual quest;
- The **uniqueness of the individual** made in God's image and loved by him;
- The **education of the whole person** based on the belief that the human and divine are inseparable;
- The **education of all** with the particular duty to care for the poor and disadvantaged;
- **Moral principles** put into practice within a Christian community.

And, the following principles recorded in '*The Common Good in Education*'

(Bishops' Conference 1996) also apply:

- **Subsidiarity** – which means decisions being taken as close to the grass roots as good government allows;
- **Solidarity** – which means we are all responsible for each other, with a willingness to see others as self.

The Church also promotes the principle of **Community Cohesion**.

- Thus, Catholic schools must continue to look outwards and work in partnership with **all** other schools in the wider community, to the benefit of all children in society.

Restatement of the Purpose of the Trust and Catholic Distinctiveness

- A. The School shall be conducted in accordance with the terms of the trust of the Diocese of Lancaster.
- B. The School's admission policy must be subject to any and all statutory requirements and common law (as the same are in force from time to time) and comply with the Diocesan Authority's model policy from time to time giving priority to baptised Catholic children above others and only using the criterion of practice of the Catholic faith in cases of oversubscription by Catholics.
- C. The provision of Religious Education and Collective Worship will be undertaken in accordance with the teachings, rites and liturgical norms of the Catholic Church and will be subject to the authority and direction of the Bishop of Lancaster.
- D. Land held by the Diocesan Directors is used by the School at the discretion of the Bishop and must be used for purposes which are consistent with the objects of the trust.

Section A: Purpose

This Memorandum of Understanding (MoU) sets out the understandings and conditions that apply to the development and functioning of the Catholic Education Trusts (referred to by others generally as multi academy trusts or MATs but herein as the "Trust") established by the Bishop for the Diocesan schools. It identifies the Catholic distinctiveness that must apply to the schools within each Trust and identifies the commitments that must be made to secure the success of the Trust and its constituent schools by the Trust Board, the Diocesan Directors and the Diocesan Education Service in providing support and having the necessary

oversight of the Trusts established in the Diocese. All these organisations or bodies have a duty to operate within the guidance of the Bishop of Lancaster and it is acknowledged that the Bishop is the primary authority for determining the membership of the respective boards of governance.

In order to exemplify the respective roles and responsibilities of various parties associated with the successful operation of the MAT a 'Responsibility, Accountability, Consultation and Information (RACI) Chart' has been drawn up and is attached as Appendix A. All parties will be expected to commit its best endeavours to make sure that those aspects within its remit and control are delivered in a complete and timely manner.

This MoU reflects the guidance issued by the Catholic Education Service with regard to the protocols that guide the relationship between the Diocese and its Schools. A copy of these protocols are available from the Diocesan Education Service and will be provided to all Catholic senior leaders, Trust Directors and Foundation Governors when appointed to their role. The MoU will also guide the relationship of the Diocese with those schools who continue as voluntary aided schools in the expectation that they will join one of the Diocesan Trusts in due course.

Section B: Catholic Distinctiveness

Set out below are the characteristics of Catholic distinctiveness which must be evident in any school for which the relevant Trust has responsibility, which characteristics are intended to mirror those applicable to voluntary aided Catholic schools.

1. Each school in the Trust must be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Catholic canon law applying thereto including the terms of the trust of the Diocese of Lancaster, so that at all times the school may serve as a witness to the Catholic faith in Our Lord Jesus Christ. The establishment of Catholic schools in the Diocese is a matter for the sole discretion of the Bishop of Lancaster.
2. Each school in the Trust (as with all Catholic schools in the Diocese) is primarily provided for the education of persons who are baptised members of the Catholic Church and the admittance of any other persons must be made only in conformity with the respective academy's admissions policy approved by the Bishop and any direction issued by the Bishop in respect of the same.
3. Each school in the Trust must provide religious education and collective worship in accordance with the teachings, rites and liturgical norms of the Catholic Church and will be subject to the authority and direction of the Bishop

of Lancaster. The key areas of the distinctive nature of Catholic education are recorded in 'Principles, Practices and Concerns' as supplemented by 'The Common Good in Education' (Bishops Conference 1996), focussing particularly on the search for excellence as an integral part of the spiritual quest within oneself and within the wider community.

4. Each school in the Trust is part of a wider family of schools and Catholic Education Trusts in the Diocese of Lancaster, with particular emphasis on the mutual support and protection of all schools in the Diocese.

Section C: Commitments made by the Bishop and the Diocesan Trustee

Catholic Character

1. The Bishop with the Corporate Diocesan Trustee, acting through the Diocesan Education Service, will continue to support the development of a strong Catholic ethos within schools which are part of the Trust and in the community of Catholic schools, supporting a collective voice on national issues affecting the schools and helping to communicate the schools' concerns and needs to those with the responsibility for the funding and regulation of schools.
2. The Bishop will provide guidance on the teachings of the Catholic Church in order to support the teaching of others.

Governance and Management Support

1. The Bishop will ensure that any directive issued by him will be in writing and be clearly communicated to the Chair of the Trust.
2. Recognising that education is about the formation of young people and creating an environment that enables the development of character and an approach to life in the Catholic faith, the Diocese will continue to provide support to the Trust and the schools in the pursuit of excellence and high quality education.
3. The Diocesan Education Service will hold regular meetings of representatives of the Catholic schools in the Diocese to encourage the transfer of knowledge and the sharing of best practice. It is expected that every effort will be made to ensure representatives of the Trust and the schools attend.
4. The Bishop will seek in so far as he is able to ensure that high quality committed, skilled individuals are put forward as directors of the Trust and governors of the local governing bodies established for each of the academies in the Trust. He will monitor the contribution made by such appointees and will remove individuals in the event of misconduct and/or a failure to support the high ideals of the Trust and the Bishop together.

5. The Diocesan Education Service may ask the Trust Board for information in respect of the governance and management of the Trust and the schools for which the Trust is responsible. Where the Diocesan Education Service becomes aware of any matter of significant concern, including any matter which might lead to the Secretary of State exercising his intervention powers, the Diocesan Education Service will discuss the matter with the Trust Board and if appropriate the governors of the school honestly and in good faith with the aim of formulating a plan to address such concern.

Land, Buildings and Capital Expenditure

6. The land on which the schools that form part of the Trust operate is owned by the Diocese of Lancaster and as such neither the land nor the buildings constructed thereon are formally assets of the Trust. The Church Supplemental Agreement, which is put in place when each school joins the Trust, recognises the occupation and use of the school site by the Trust for the particular Catholic school as a bare licensee and that the right of the Diocese to terminate the Trust's use of the site is subject only to the giving by the Diocese of 2 years' notice. Both the Diocese and the Trust will have regard to any guidance issued by the Catholic Education Service as to the question of whether the land and buildings should be recognised as an asset on the balance sheet of the Trust.
7. The Diocesan Education Service will not unreasonably withhold permission for the Trust/school to improve or maintain the school site.
8. In so far as the Diocesan Education Service feels is prudent given competing requests from other schools in the Diocese, the Diocesan Education Service will support the Trust/School in any grant application to the Secretary of State and will provide advice and support in the procurement of capital works. For the avoidance of doubt the Diocese cannot be relied on to provide any form of financial guarantees or assume any financial responsibilities in respect of such works.

Section D: Oversight by the Bishop

Role and Responsibilities of the Diocesan Education Service

1. The Bishop has given responsibility to the Diocesan Education Service to provide support and challenge to the Trusts. This is in recognition of the role of the Bishop as the appropriate diocesan authority in overseeing the Catholic schools in the Diocese reflected in canon law and recognised both in the Education Acts and the Church Supplemental Agreement. This role is wider than the role of the Bishop as the principal and founding Member of the Trust and is crucial to the preservation of the religious character of the schools and

the fulfilment of the objects of the Trust. The Department for Education may be assisted by an education board established by the Bishop to support the Director for Education in overseeing the Trusts and in developing and sharing of best practice.

2. The Department for Education shall assist the Bishop and the Diocesan Trustee in monitoring the educational and business management performance of all Trusts in the Diocese, advising the Bishop and the Diocesan Trustee of any concerns regarding the performance of any Trust and in particular the effectiveness of the Trust's Board of Directors (the "Trust Board").
3. Specifically the Director of Education has the authority to seek from the Trust Board any information or assurance it believes necessary and appropriate (about the Trust and/or the schools for which the Trust is responsible) to undertake its role whether on a regular or random basis. The Trust Board will provide to the Director of Education regular, high-level reports regarding the educational and financial performance of the schools and any risks likely to affect the schools or the Trust as a whole to enable the Diocese to:
 - a. measure the performance of the Catholic schools across the Diocese;
 - b. identify when additional support is needed by a Trust;
 - c. facilitate the provision of support to a Trust or any of its schools whether from another Trust, another Catholic school in the Diocese or any third party agencies;
 - d. identify and share best practice across the Diocese, both in terms of school performance and the efficient and proper running of the Trust itself;
 - e. ensure that when the Trust is established the Directors of the Trust fully understand their responsibilities and together have the full range of skills and experience needed;
 - f. review on a periodic basis the skills and experience of the Trust Directors, advising the Bishop and making recommendations as may be necessary as to the appointment and in some cases replacement of those serving as Directors (both foundation directors and non foundation directors);
 - g. develop and deliver a programme of training for those who serve as Directors where it has been identified that this might best be done on a diocesan wide basis rather than within an individual Trust.
4. Where the Director of Education believes educational or business management standards within a Trust are below those that have been identified as consistent with the standards and aspirations identified by the Bishop and the

Diocesan Trustee, including as a minimum in circumstances when the Secretary of State for Education has identified serious weakness and an intention to serve a warning notice on the Trust or when a complaint has been received by the Bishop, the Director of Education will make recommendations to the Bishop as to any action that should be taken including:

- a. whether any matter needs further investigation or follow up;
- b. whether any independent review is required;
- c. whether the Bishop is advised to take direct action in relation to the Trust or any school; and
- d. whether any approach needs to be made to the Secretary of State under the terms of the Church Supplemental Agreement.

Principles and specifics of the relationship between the Diocese and the Trust Board

1. Notwithstanding the high level oversight role undertaken by the Diocesan Education Service, the relationship between the Diocese and the Trust Board should be based on one of mutual respect and appropriate question and challenge in an open and transparent manner consistent with the Catholic nature of the organisations. It is expected that both organisations will subscribe to the Seven Principles of Public Life identified by the Nolan Committee and detailed in Appendix B of this document.
2. Information provided to the Department for Education by the Trust Board will be acknowledged and the Director of Education will share any advice he or she provides to the Bishop regarding any specific matter involving the Trust with the relevant Trust Board except in so far as the Director considers any such advice should be kept confidential.
3. The Director of Education should be willing and able to provide advice and guidance to the Trust Board outside of any formal reporting regime.
4. It is recognised that good practice would be for representatives of each Trust Board, e.g. the Chair, to meet at least once annually to ensure there is both dialogue and data exchanged between them and the Diocesan Education Service will facilitate this.
5. Any costs properly incurred by the Bishop in the exercise of his role overseeing the Trust and the schools (whether or not at the request of the Diocesan Education Service and whether recovered on a pooled basis or as an individual contribution) will be met as an expense by the Trust, which will not be unreasonable and wherever possible will be agreed in advance.

Section E: Commitments made by the Trust Board

Catholic Character

1. The Trust Board will make sure both it and the local school governing committees maintain and develop the religious character of the schools as Catholic schools and no alteration shall be made to the religious character or conduct of the school without the consent of the Diocesan Trustee and the Bishop.
2. The Trust Board and the schools for which it is responsible will submit to the canonical inspections and visitations of the Diocese and any person appointed by the Bishop for the purpose of monitoring both the Catholic life of the Trust and its schools and the way they operate, ensuring this is in accordance with canon law and following the practices and teachings of the Catholic Church. The Trust Board and the local governing bodies are expected to observe good governance and promote a high quality education, particularly in the light of the additional responsibilities and freedoms afforded to academy trusts and the schools within their control by the State.

Governance and Management

1. The Trust Board must comply with, and must ensure processes are in place to ensure all governors and employees of the Trust comply with, all directives issued by the Bishop including this Memorandum of Understanding, giving effect to the matters addressed within it.
2. The Trust Board will adopt, in so far as they are legally able to, all policies and practices as communicated by the Diocesan Education Service on behalf of the Bishop from time to time. Any exception to this must be agreed in writing with the Diocesan Director of Education.
3. The Trust Board should be open about decisions affecting the schools for which it is responsible and be prepared to justify those decisions except in so far as the Trust Board considers that such matter should be kept confidential. In the unlikely event of a conflict of loyalty, given the fundamental purpose for which the Trust has been established, guidance will be sought by the Bishop from the Archbishop of Westminster as head of the Catholic Church in England and Wales, with the support of the Catholic Education Service.
4. The Trust Board will, along with any local governing bodies, consider on an ongoing basis the need for training and skills development as well as considering succession planning. They shall work with the Diocesan Education Service and consider any advice or opinions of the Diocesan Director of

Education with regard to leadership, governance and the standards of teaching and learning in particular. The Trust Board acknowledges the Bishop's right to appoint Foundation Directors to the Trust Board and Foundation Governors to any local governing bodies. In so doing the Bishop will consider any recommendations made by the Diocesan Education Service, particularly where there is a need to secure specific skills on to those bodies.

5. The Trust Board will not implement any proposals that affect the status or size of the Trust or its constituent schools without the written consent of the Bishop.
6. The Trust Board will be expected to adopt the Diocesan model Scheme of Delegation developed and updated from time to time dealing with the governance regime within the Trust. The Trust Board must have the express authority of the Bishop in writing to create a local governing body for any school joining the Trust consistent with the Scheme of Delegation. Any material changes which the Trust Board wish to make to the Scheme of Delegation shall first be discussed with the Diocesan Education Service, whose approval must be obtained where any changes impact materially on the principles of delegation, the nature of the relationship between the Trust Board and the local governing bodies, the composition of the local governing bodies (and the appointment of Foundation Governors by the Bishop) and the key responsibilities delegated to the local governing bodies. The Diocesan Education Service will have regard to any views of any local governing body that is affected by a change.
7. The Trust Board and any local governing bodies shall provide the Diocesan Education Service with copies of all board/committee meetings should they be requested.
8. The Trust Board shall provide the Diocesan Education Service with copies of any returns provided to the Education & Skills Funding Agency (or any other body set up by the Secretary of State to oversee the finances of schools).
9. The Trust Board shall provide the Diocesan Education Service with copies of any Annual Report and the audited Annual Accounts for the Trust.
10. The Trust Board shall ensure that it has systems in place for the proper conduct and oversight of the management of the Trust and the leadership of the schools, having regard in particular to the Trust's legal responsibilities as a public and corporate body which is regulated by the Secretary of State for Education. The Trust is obliged under the Academy Trust Handbook to appoint persons who will fulfil the roles of "Accounting Officer" i.e. the "Chief Executive Officer" and "Chief Financial Officer" (as defined within the Academy Trust Handbook) and the Trust Board will consider carefully who is to fulfil these

roles, ensuring that all legal requirements are satisfied and following any advice offered generally or specifically by the Director of Education, noting that it may be the case that the Chief Financial Officer role is undertaken by a Chief Operating Officer. The Trust Board is also encouraged to appoint an appropriately qualified Company Secretary or Clerk who can advise them on corporate governance and compliance.

Financial Management

1. The Trust Board has full responsibility for managing the financial affairs of the MAT including all the constituent schools. Whilst they may delegate day to day financial authority to the school's headteacher and governance oversight to the local governing body, ultimate responsibility remains with the Trust Board. In exercising this responsibility, they are expected to fully comply with any instructions, guidance and best practice identified from time to time by the Education & Skills Funding Agency and the professional standards identified by the Accounting Standards bodies relevant to the Trust. No guarantees or assurances in respect of the financial affairs of the Trust will be provided by the Bishop or the Diocesan Trustee.
2. Whilst the overall strategic report of the Trust's activities to the Bishop (to be provided to the Diocesan Director of Education) will address financial risks, should the Trust Board identify through its own regular monitoring of the work of the local governing bodies that there is likely to be the need to address financial issues not previously identified in the schools' and Trust's annual budget and/or plan then it is expected to bring these matters to the attention of the Diocesan Education Service who will consult with the other Members of the Trust with the view to discussing with the Trust Board what action will be taken to avoid any long term threat to the Trust and the schools for which it is responsible.

Land, Buildings and Capital Expenditure

1. In addition to the responsibilities that the Trust has to the Bishop and the Diocesan Trustee in respect of the land and buildings used by the schools outlined in this Memorandum of Understanding, the Trust Board and the local governing bodies will ensure that at all times any land and buildings used or occupied by the Trust (or its schools) is not used for purposes which would not be consistent with the teachings and practices of the Catholic Church and any lettings of land or buildings shall be in accordance with any policy issued from time to time by the Bishop.
2. The Trust Board will develop an estate strategy in conjunction with the local

governing bodies and in consultation with the Diocesan Education Service that will identify the suitability of facilities on a school by school basis in the light of long term curriculum needs, estate condition and any other demands. This strategy should be appropriately reflected in the Trust business and financial plans and budgets.

3. The Trust Board will comply with and will ensure compliance by its constituent schools with the obligations of the Church Supplemental Agreement and where insurance is not in fact put in place by the Diocesan Trustee, the Trust Board will insure the school sites only with insurers approved by the Diocesan Financial Secretary on behalf of the Bishop, which may include the ESFA's "Risk Protection Arrangements" scheme. The Trust Board will obtain professional advice on the reinstatement value when such insurance is being renewed and will ensure that any insurance is taken out or risk protection cover arranged (in joint names with the Diocesan Trustee or ensuring that full cover is extended to the Diocesan Trustee) in the full reinstatement value and will make up any shortfall from its own funds.

Admissions

1. The Trust Board will not determine any changes to the admissions criteria of any of its schools without the written consent of the Bishop.

Employment of Senior Staff and Key Teaching Staff

1. The Trust Board (in conjunction with the local governing bodies) will ensure that the Chief Executive Officer of the Trust, the headteachers and deputy headteachers for all schools, as well as any key teaching staff responsible for co-ordinating religious education and any chaplain or reserved post, shall be practising Catholics. Any departure from this must be approved in writing in advance by the Bishop and is to be reviewed on any future appointments.
2. The Trust Board will make sure that the employment of all staff by the Trust shall be consistent with the policies from time to time notified to Catholic schools by the Bishop or the Catholic Education Service. These policies will address matters such as; pay and performance management of senior leaders, carrying out a restructure and advising generally on appropriate staffing structures and the recruitment and appointment of staff particularly senior leaders (acknowledging the Diocese's rights to be involved in and to offer advice in connection with the recruitment of the Chief Executive Officer, the Principals and any Deputy Principals). The Trust is required to adopt the CES model contracts and policies and to follow appropriate national and local agreements such as the "Burgundy Book" for teaching staff and the "Green

Book” for associate staff. These local agreements will reflect the local arrangements, by local authority, the intention being to preserve and continue to mirror any such arrangements in place when the school became an academy in accordance with any commitment made at the time or subsequently.

3. The Trust will provide opportunities for staff training and formation, both at school level and at and across the Trust.

Section F: Specific Commitments made by the Schools

Catholic Character

1. The School will maintain and develop the religious character of the School as a Catholic School and no alteration shall be made to the Religious character of the School or conduct as a Catholic School without the consent of the Corporate Trustee of the Diocese and the Bishop.
2. The School will provide Religious Education in accordance with the teachings of the Catholic Church.
3. Relationships and Sex education is to be in accordance with the social and moral teachings of the Catholic Church from time to time and in consultation with parents of pupils of each School from time to time.
4. The School will provide opportunity for regular Collective Worship in accordance with the rites and tenets of the Catholic Church.
5. The inspection and reporting of Religious Education, Catholic Life and the Collective Worship at each School is to be undertaken by persons appointed by the Diocesan Authority.
6. The School will promote an authentic culture of vocation, encouraging pupils and staff to interpret their existence in the light of God’s plan, with pupils developing and staff modelling an understanding of communal obligations, personal aspirations and their role as citizens in society.
7. The School will assist parents, who are the primary educators of their children, in the education and Religious formation of their children.
8. The School will work in relationship with other Catholic schools and local schools based on the call of the Gospel to serve those in need.
9. The School at all times will serve as a witness to the Catholic faith in Our Lord Jesus Christ.
10. The School will provide opportunities for staff training and formation and will ensure that staff well-being is central to what it does.

Governance

1. The School will comply with all directives issued by the Bishop and this Memorandum of Understanding has the status of directive issued by the Bishop. The School acknowledges that its authority to act is derived from the Trust's Scheme of Delegation and the School will comply with its terms.
2. The School will adopt and will comply with all school policies of the Diocese and the Bishop communicated to the School from time to time.
3. All governors of the School undertake to fulfil and observe the objects and purposes for which the School has been established.
4. All governors have a duty to act independently and not as agents of those who may have appointed them and will act with integrity, objectivity and honesty in the best interests of the School and shall be open about decisions and be prepared to justify those decisions except in so far as any matter may be considered confidential.
5. The School will review its policies and practices on a regular basis, having regard to recommendations made by Diocesan Education Service and the CES, in order to ensure that the governance of the School is best able to adapt to the changing political and legal environment.
6. The School will consider on an ongoing basis the need for training and skills development and formation of governors as well as considering succession planning to ensure robust practices are maintained and supervised, making recommendations to the Bishop with regard to the nomination of foundation governors for his appointment. Only practising Catholics will be appointed as foundation governors.
7. The Diocesan Education Service will organise regular meetings for all chairs of governors to provide a briefing update on current issues and to share best practice.
8. The School will not implement any proposals for a change in status or for the expansion or contraction of the School without the written consent of the Bishop.
9. Unless the Bishop agrees in writing otherwise, governors will appoint the chair and vice chair from amongst the foundation governors.

Financial Management

1. The School acknowledges that the Bishop and Diocesan Trustee have no financial responsibility for the School in any situation.
2. The School will inform and keep the Diocesan Education Service informed of any matter which is likely to be a cause for concern to the Diocesan Trustee

and/or the Bishop (generally but not exclusively this will involve matters affecting the Catholic life of the School, matters affecting personnel, financial matters, matters affecting buildings and the School's development plan).

Buildings Maintenance and Capital Expenditure

1. The governors will ensure that at all times any land used by the School will not be used for purposes which would not be consistent with the teachings and practices of the Catholic Church and that any lettings of School premises shall be in accordance with any policy issued from time to time by the Diocese.
2. The School will financially support the work of the Diocesan Education Service and will comply with any policy adopted from time to time regarding the pooling of capital grants e.g. any "Devolved Formula Capital" or "Standard Capital Allocation" (secured through Condition Improvement Fund).
3. The School will consult with the Diocesan Education Service and share information about any planned significant maintenance and replacement of buildings and facilities used by the School and will not undertake any capital works to the buildings or any part of the School site without first obtaining the written consent of the Diocesan Trustee.

Admissions

1. The School will not change its admissions criteria without the consent of the Diocesan Education Service.

Employment of the Principal and Key Teaching Staff

1. The headteacher or principal of the School as well as the deputy headteacher(s) and the head or co-ordinator of Religious Education and school chaplain shall be practising Catholics who meet the requirements of the Diocesan Briefing Note on Practising Catholic. When a school does not have a post designated as a deputy head teacher, the term "deputy head teacher" in the proposal above shall be held to include the most senior member of staff whose duties include deputising for the head teacher in his or her absence.
2. The School acknowledges the overarching responsibility of the Trust for staff and Governors will ensure that the School complies with the Trust's policies and practices.

Support for other Schools

1. The School is part of a family of Catholic schools both within the Trust and within the Diocese and the governors acknowledge that this means they have

a responsibility which extends beyond the School.

2. The School will work collaboratively with the other Catholic schools in the Diocese sharing resources and know how as may be appropriate with the following objectives in mind, to support each other to:
 - achieve consistently high standards of learning and teaching;
 - develop cost effective curriculum design and collaboration which optimises opportunities for students and provides added value progress for them;
 - provide support building upon individual specialisms and/or areas of identified strength between the schools to improve key aspects of performance;
 - achieve best value in service delivery especially where partnership working can add value.

Appendix A

Responsibility, Accountability, Consultation, Information (RACI) Chart

Key

R = The primary body responsible for the completion of the task

C = The primary body must consult with this body before completing the task

I = The primary body must inform this body once the task has been complete

A = The primary body must get formal approval for this task from this individual/organisation before it can be complete

Ref	Task	Catholic Education Trust	Diocesan Director of Education	Diocesan Education Service	Bishop of Lancaster
	Governance and Management				
1	Appointing Foundation Directors under Article 50 (who must be in the majority by at least 2)	C	C	C	R
2	Recruiting and Appointing Directors under Article 50A (i.e. by the MAT Trust Board)	R	A	C	I
3	Recruiting and appointing reserve posts	R		C	
4	Religious Designation	A		C	R
5	Vision and Values	R	C	I	A

6	Strategy, Expansion and Leadership	R		C	
7	Strategic Organisation/ Delegated Responsibilities	R		C	
8	Statutory Policies	R		I	
9	Risk Management Reviews	R	I	I	
10	Recruitment of non-reserve posts	R			

11	Staff Performance Management process	R			
12	Staff Professional Development	R			
13	Compliance with MOU	R	R	C	I
14	ESFA Returns	R			
15	DfE intervention	R	C	C	
16	DfE/ESFA approvals for significant changes (as per Diocesan Guidance)	R	C	I	A
17	Due Diligence of schools joining the MAT	R	C	C	
	Education Achievements				
18	Admissions Policy	R		C	
19	Educational Standards	R	I	I	
	Business Management				
20	Statutory Compliances (including Health and Safety)	R	I		
21	Compliance with Academy Trust Handbook	R	I		
22	Business Administration & Organisation	R			
23	Business Plan and Annual Budget Setting	R	I		

24	Estate Strategy/Capital Works	R	C	C	A
25	Pay and conditions of senior staff	R			
26	Insurance/Risk Protection Cover	R		I	A

Appendix B

Seven Principles of Public Life

These are:

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 benefits for themselves, their family or their friends.

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.

Objectivity

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

Accountability

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

Openness

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

Honesty

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

Leadership

Holders of public office should promote and support these principles by leadership

and example.

Diocese of Lancaster template Scheme of Delegation. Draft developed for Catholic schools by the Diocesan Education Service with the support of the Diocesan solicitors, Winckworth Sherwood (contact: Andrea Squires on asquires@wslaw.co.uk or 020 7593 5039). Any significant departures from this template should be discussed with the Director of Education.