



ASPIRATIONS

GOVERNANCE OF THE ASPIRATIONS ACADEMIES TRUST

DRAFT AWAITING APPROVAL

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Table of Contents

1. Introduction	3
1.1. Purpose of the Trust.....	3
1.2. Statutory obligations.....	3
1.3. Purpose of this document.....	3
2. Governance Structures	3
2.1. Introduction	3
2.2. Aspirations Governance Structures	3
2.3. Remit of the Members.....	5
2.4. Remit of the Board of Trustees.....	5
2.4.1. Membership and Administration	5
2.4.2. Duties.....	5
2.5. Remit of the Remuneration, Risk and Finance Committee	6
2.5.1. Membership and Administration	6
2.5.2. Duties.....	6
2.6. Remit of the Executive Operational Board.....	7
2.6.1. Membership and Administration	7
2.6.2. Duties.....	8
2.7. Remit of the District Boards.....	8
2.7.1. Membership and Administration	8
2.7.2. Duties.....	9
2.8. Remit of Local Advisory Bodies	9
2.8.1. Membership and Administration	9
2.8.2. Duties.....	9
3. Scheme of Financial Delegation.....	15
3.1. Introduction	15
3.2. Financial powers and duties reserved for the Board of Trustees.....	16
3.3. Financial powers and duties delegated to the Remuneration, Risk and Finance Committee .	16
3.4. Financial powers and duties delegated to the Managing Director	18
3.5. Financial powers and duties delegated to the District Board	19
3.6. Financial powers and duties delegated to the Principal	21

3.7. Financial authorisation levels 22

4. Appendix:

4.1 Accountability Framework 25

4.2 Actions to ensure robust governance and effective financial management..... 29

1. Introduction

1.1. Purpose of the Trust

The Aspirations Academies Trust's purpose is to deliver a world-class, innovative education provision in a complex and rapidly-changing world. Aspirations academies will develop students who:

- Exhibit **self-confidence** and **high aspirations**
- Enter the workforce with **21st century skills**
- Maximise their **life opportunities**
- Achieve their **highest potential**

Effective governance will enable the Trust to achieve its purpose, vision and aims by ensuring the accountability of all decision-makers and compliance with statutory obligations.

1.2. Statutory obligations

The Aspirations Academies Trust is a charitable company limited by guarantee, an exempt charity under the Academies Act 2010 and a public benefit entity under FRS102. This means that the Trust must comply with:

- **company law** as set out in the Companies Act 1985 (and subsequent Acts)
- **charity law** and the requirements of the Charity Commission and its *Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities*, as revised in March 2015.

1.3. Purpose of this document

Governance of the Aspirations Academies Trust outlines the framework for decision-making within the Trust. This document should be read in conjunction with the *Academies Financial Handbook* and the Department for Education's *Governance Handbook*.

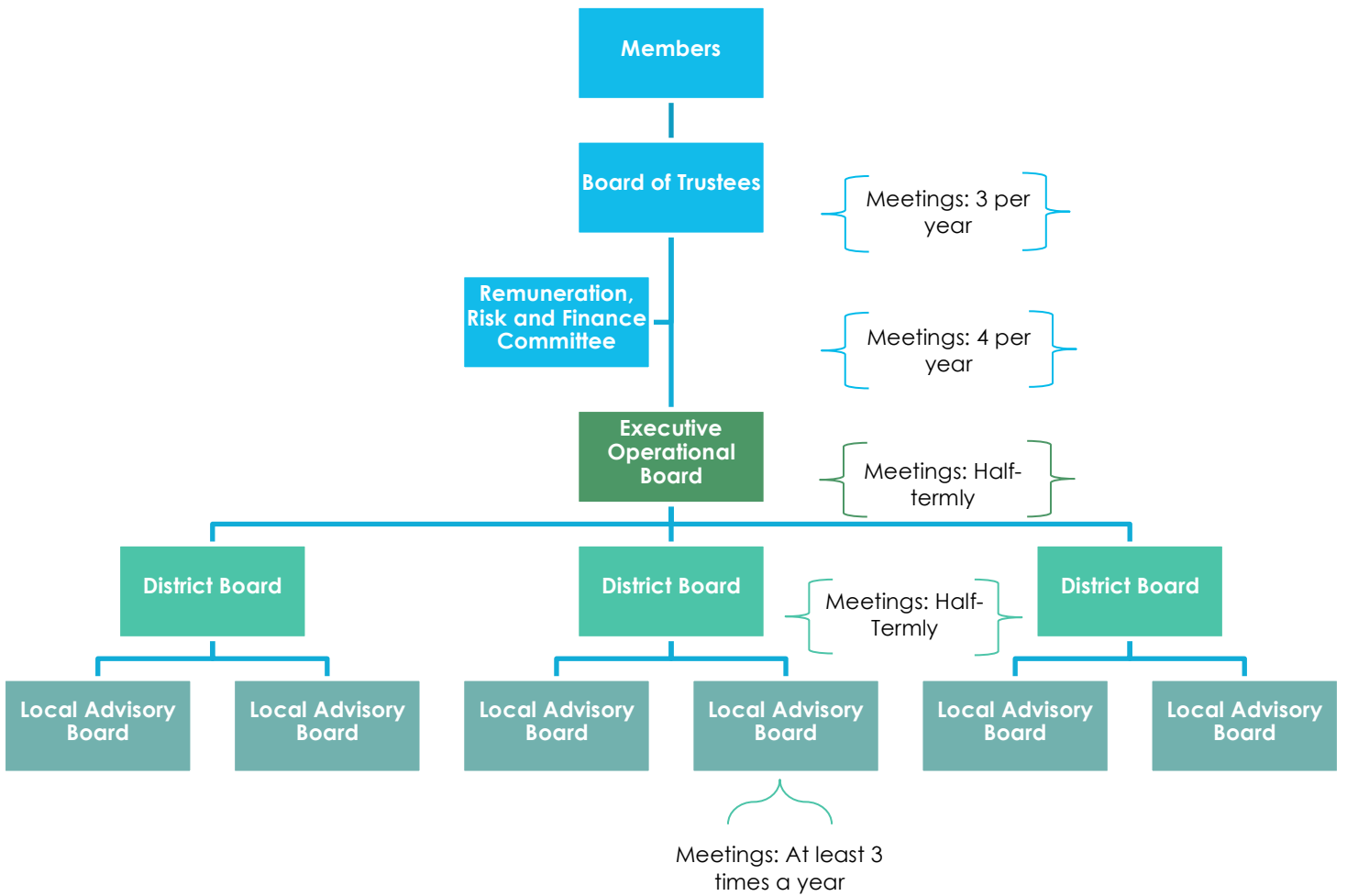
2. Governance Structures

2.1. Introduction

Effective governance is based on six key features. All levels of governance within the Aspirations Academies Trust incorporate these features.

- **Strategic leadership** that sets and champions vision, ethos and strategy.
- **Accountability** that drives up educational standards and financial performance.
- **People** with the right skills, experience, qualities and capacity.
- **Structures** that reinforce clearly defined roles and responsibilities.
- **Compliance** with statutory and contractual requirements.
- **Evaluation** to monitor and improve the quality and impact of governance.

2.2. Aspirations Governance Structures



2.3. Remit of the Members

Members: Roma Bosch, Dr Michael Corso, Raymond McNulty

Members are signatories of the Trust's articles of association (where they are founding Members). They may, subject to any restrictions created by the Trust's funding agreement or charity law, amend the articles of association and appoint new Members or remove existing Members. They have the power to appoint Trustees and the Trust's auditors.

2.4. Remit of the Board of Trustees

Chair of the Board: Vic Daniels

Trustees: Tara Baig, Caroline Bault, Roma Bosch, Mark Brocklehurst, Vic Daniels, Paula Kenning, Steve Kenning, Ian Livingstone, Richard Prime

The Board of Trustees is directly accountable to the Secretary of State for Education for the educational and financial performance of the Trust.

2.4.1. Membership and Administration

Membership: A minimum of three Trustees. The Managing Director (as Chief Executive).

Term of office: Four years

Chair: A Trustee. Appointed by the Members.

Clerk: Executive Assistant to the Managing Directors

Quorum: Four Trustees

Frequency of meetings: 3 per year

2.4.2. Duties

The duties of the Board of Trustees shall be:

Strategic Leadership

1. Establishing and maintaining the Trust's purpose, vision and ethos.
2. Providing the strategic direction of the Trust, including medium and long-term goals.
3. Establishing structures and procedures to set and manage financial and operational risk appetite and tolerance.
4. Championing research and development into best practices in teaching and learning.

Accountability

5. Maintaining oversight of the educational performance of the Trust through analysis of pupil progress and attainment data.
6. Performance managing executive leaders in alignment with defined strategic priorities.
7. Maintaining oversight of the performance management of all other Trust employees, their pay framework and conditions of service.
8. Ensuring that controls for managing financial resources are in place and that regularity, propriety and value for money is achieved.

People

9. Recruiting Trustees with the right skills, experience, qualities, capacity and diversity of perspective to ensure that the Board remains effective and advising on the suitability of their appointment to the Members.

Structures

10. Implementing appropriate board and committee structures to ensure sufficient and robust oversight of key priorities and effective and proper governance.
11. Ensuring that processes for communicating with all Trust stakeholders are in place to promote transparency of decision-making.
12. Ensuring that complementary and non-duplicative roles for the Board, committees, executive structures and local advisory groups hold school-level leaders to account.
13. Ensuring that effective and proper governance takes place at all levels of Trust operations.

Compliance

14. Maintaining awareness of and adherence to the Trust's responsibilities under education, employment, charity and company law.
15. Adhering to the requirements of the Academies Financial Handbook.
16. Approving Trust operational and educational policies.

Evaluation

17. Undertaking skills audits, self-evaluation and external reviews of effectiveness to ensure continual effectiveness.
18. Appointing a suitably qualified person to conduct an external review of governance.

2.5. Remit of the Remuneration, Risk and Finance Committee

Chair of Remuneration, Risk and Finance Committee: Caroline Bault

The Remuneration, Risk and Finance Committee is an advisory body with no executive powers. However, it is authorised by the Board to investigate any activity within its remit, and to seek any information it requires from staff, who are required to co-operate with the Committee in the conduct of its inquiries.

The Remuneration, Risk and Finance Committee is authorised to obtain independent professional advice if it considers this necessary.

2.5.1. Membership and Administration

Membership: A minimum of three non-executive committee members to include at least two Trustees. The Chair of the Board of Trustees will always be a member of the Remuneration, Risk and Finance Committee.

Chair: A Trustee. Decided by the Remuneration, Risk and Finance Committee.

Clerk: Executive Assistant to the Managing Directors

Quorum: Two members of the Remuneration, Risk and Finance Committee

Frequency of meetings: 4 per year

Minutes: Distributed to the full Board

2.5.2. Duties

The duties of the Committee shall be:

Accountability

1. Reviewing the Aspirations management accounts and statutory financial statements and reports to ensure that they are accurate and any issues arising are recognised, discussed and escalated to the Board as appropriate.
2. Discussing with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest co-operation of staff and focussed on key areas of risk.
3. Considering all relevant reports by the appointed external auditor, including reports on the Aspirations accounts, achievement of value for money and the response to any management letters.
4. Overseeing the appointment/ re-appointment of the external auditor, in line with Aspirations procurement rules.
5. Reviewing the effectiveness of the Aspirations internal control system established to ensure that the aims, objectives and key performance targets of the Trust are achieved in the most economic and effective manner, and that sufficient assurance is provided to allow the Board to sign off on the accounts disclosures on financial governance.
6. Reviewing Aspirations procedures for detecting fraud and whistle blowing and ensure that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control or any other matters.
7. Reviewing the internal audit/Responsible Officer (RO) function and ensure that it provides sufficient levels of assurance over internal controls across the network.
8. Considering internal audit/RO reports, including value-for-money reports and the arrangements for the implementation of any recommendations.
9. Reviewing the operation of the Aspirations code of practice for Directors and staff in relation to financial matters.
10. Considering the Aspirations approach to risk management and advise the Trust Board on key risks to Aspirations.
11. Reviewing due diligence reports provided by the Executive and ensure that sufficient assurance is provided to allow the Trust Board to sign off on new academy projects.
12. Undertaking any task as asked to do so by the Board of Trustees.

Compliance

13. Reviewing Aspirations compliance with statutory and regulator financial reporting requirements, including deadlines.

Evaluation

14. Reporting at least once a year to the Board on the discharge of the above duties.

2.6. Remit of the Executive Operational Board

The Board of Trustees delegates the operation of the non-financial areas of the Trust to the Executive Operational Board.

2.6.1. Membership and Administration

Membership: Managing Director, Deputy Managing Director, Director of Finance, District Directors of Education (all), Executive Assistant to the Managing Directors

Chair: Managing Director

Clerk: Executive Assistant to the Managing Directors

Frequency of meetings: Half-termly

2.6.2. Duties

The duties of the Executive Operational Board shall be:

Strategic Leadership

1. Embedding and promoting the Aspirations Framework within academies.
2. Conducting due diligence on and drafting the business case for potential new academy projects, subject to approval by the Trust Board.
3. Implementing the Trust-wide development plan.
4. Developing and applying strategies to ensure the Trust achieves its aims.

Accountability

5. Validating half-termly educational monitoring activities through analysis of pupil progress data and review visits from each academy.
6. Developing strategies for school improvement where necessary.
7. Validating the financial performance of districts through review of accounting and forecasting data.
8. Monitoring the effective and efficient use of Trust premises.

People

9. Appointing academy Principals, Vice-Principals and other senior leaders as appropriate.
10. Performance managing academy Principals.
11. Maintaining effective oversight of the performance of all Trust employees and the framework for their pay and conditions of service.

Compliance

12. Drafting effective Trust operational and educational policies.

2.7. Remit of the District Boards

District Boards monitor, support and challenge academies within their regional area.

2.7.1. Membership and Administration

Membership: Managing Director, Deputy Managing Director, Director of Finance, Director of Human Resources, District Directors of Education (2 per district), District Director of Finance and Operations, Principals in District, LAB Chairs in District, Clerk to District

Chair: A District Director of Education

Clerk: As appointed by the District Board

Frequency of meetings: Half-termly

Minutes: Distributed to the Executive Operational Board

2.7.2. Duties

The duties of the District Boards shall be:

Strategic Leadership

1. Embedding and promoting the Aspirations Framework within academies.
2. Ensuring that academies maintain highest standards and offer a quality educational provision.
3. Championing cross-phase and cross-academy opportunities.
4. Developing marketing strategies to promote fully-subscribed academies and sustainable district growth.
5. Generating business and community partnerships to support student employability.

Accountability

6. Validating the educational performance of academies through half-termly monitoring activities.
7. Monitoring closely the attainment and progress data for each academy.
8. Ensuring effective financial planning, control, regularity and propriety within academies.
9. Directing the effective and efficient use of district premises, including maximising income potential.
10. Delegating educational and financial matters of concern to Local Advisory Bodies for more in-depth investigation.
11. Addressing issues and risks escalated by Local Advisory Bodies to the District Board.

People

12. Analysing staffing needs and directing recruitment efforts within academies, especially looking at opportunities for staff sharing across the district to gain economies of scale.

Compliance

13. Ensuring that Trust operational and financial policies are implemented in academies.

2.8. Remit of Local Advisory Bodies

Local Advisory Bodies (LABs) provide an essential link between academies, parents and communities. They operate in an advisory capacity only.

2.8.1. Membership and Administration

Membership: Co-opted members from local businesses and the community, Aspirations Central Team members, 2 elected parents, academy Principal, academy SLT members

Term of Office: Three years for co-opted and parent members; two years for the Chair

Chair: Appointed by the Trust

Clerk: As appointed by the LAB

Frequency of meetings: 3-6 per year

Minutes: Distributed to District Boards

2.8.2. Duties

The duties of the Local Advisory Bodies are:

Strategic Leadership

1. Embedding and promoting the Aspirations Framework within academies.
2. Supporting the provision of high quality education at academies.

Accountability

3. Investigating educational and financial matters of concern as delegated to by District Boards.
4. Escalating identified issues and risks to District Boards.
5. Embedding policies as delegated to by the District Board.

Compliance

6. Participating in independent review panels to consider decisions to permanently exclude pupils.
7. Participating in panels to consider parental complaints.

People

8. Participating in staff discipline, grievance and capability hearings in accordance with relevant policies.

2.9 General Governance responsibilities

2.9.1 Appointment of Governors

All governors on the **Local Advisory Boards** and the **District Boards** are representatives of the Aspirations Academies Trust and, following discussions with the relevant Principal(s), are appointed by the Trust. Wherever possible local representation will be a priority. Each co-opted governor will serve a term of a maximum three years. Two parents are elected by parents to each LAB. The Chair of both the **District Board** and the **LAB** is appointed by the **Aspirations Board**. The term of office for a Chair of a LAB is reviewed every two years. The Chair of the District Board is the Regional Director of Education.

2.9.2 Obligations of Governors

As the Aspirations Academies Trust is a company limited by guarantee with charitable status, the Directors who sit on the Trust Board are the legal trustees of the charity. This confers certain obligations upon the trustees to protect the assets, property and good name of the charity. The legal requirements of trustees are set out below. Trustees (Directors) have full responsibility for the charity and must:

- Act together and in person and not delegate control of the charity to others;
- Act strictly in accordance with the Trust's governing documents;
- Act in the Trust's interests only and without regard to their own private interests;
- Manage the Trust's affairs prudently throughout its life;
- Not derive any personal benefit or gain from the Academy Trust; and
- Take proper professional advice on matters on which they are not themselves competent.

In managing the Aspirations Academy Trust finances the Directors, and where appropriate in the case of each individual Aspirations Academy's finance governors (District Board), must:

- Make sure that bank accounts, financial systems and financial records are operated by more than one person;
- Make sure that all the Academy's property is under the control of the trustees;
- Keep full and accurate accounting records; and
- Prepare accruals accounts giving a true and fair view of each Aspirations Academy's incoming resources and application of resources during the year and of its state of affairs at the year end.

2.9.3 Conduct of Directors of the Trust Board and Governors of each Aspirations Academy District and Local Advisory Board

Directors/Governors and staff are public servants and as such must not use public monies or official business for personal benefit. The Trust Board/District Governing Body/Advisory Board should avoid obtaining goods and services that include elements of private use or accepting excessive hospitality from prospective suppliers. The Treasury rules about the receiving of hospitality and gifts should be followed, as these rules are there to protect staff and governors.

Declarations of Business Interests

It is vital that directors/governors and staff act, and are seen to act, impartially. All members of the Trust Board/District Governing Body/Local Advisory Board are therefore required to complete a declaration of their business interests. It is also strongly recommended, as a matter of good practice, that the Principal and other senior staff complete declarations. Individual declarations should be maintained together in a register of interests. Declarations should include all business and pecuniary (monetary) interests such as directorships, shareholdings and other appointments of influence within a business or other organisation. They should also include interests of related persons such as parent, spouse, child, cohabitee and business partner where influence *could* be exerted by that person over a governor or a member of staff.

Where a director, governor or member of staff or related person has any interest, either pecuniary or non-pecuniary, in a matter to be discussed at a Trust Board/Governors' meeting the director, governor or member of staff must declare their interest and withdraw from that part of the meeting.

Where a director, governor or related person has a pecuniary interest in a business, and that interest exceeds limits that may be specified in the Aspirations Academies Trust's memorandum or articles of association, the Trust must not enter into any contract or arrangement (such as the purchase of goods and service) with that business.

Payments to Governors

It is illegal for directors/governors to receive any remuneration for their work as trustees, other than payment of all reasonable out of pocket travel, accommodation or other expenses legitimately incurred by them in connection with their attendance at meetings acting in the capacity of director of the Trust Board or as a governor of an academy.

In addition, no governor may hold any interest in property belonging to the Aspirations Academies Trust. Nor may a governor receive remuneration in respect of any contract to which the Trust or academy is a party. However, nothing prevents the payment of governors for the usual professional charges for business undertaken by any governor who is a solicitor, accountant or other person engaged in a profession, or by any partner or connected person of his or hers, when instructed by the Trust Board/governing body to act in a professional capacity on behalf of the Trust or Academy. This exception is only allowable if:

- At no time a majority of the governors are engaged in such a professional capacity: And,

- directors/governors withdraw from any meeting at which his or her remuneration, or that of his or her partner/relative, is under discussion.

2.9.4 Governors' Responsibilities for Risk Management

The Charity Commission requires charities to include a statement in the trustees' annual report confirming that all major risks to which the charity is exposed have been reviewed and systems have been established to mitigate those risks. Directors/Governors should determine:

- what the major risks are to the Trust and to each Academy;
- what the likelihood is of those risks materialising;
- what would be the potential impact of the risks; and
- what systems have been put in place to mitigate and monitor the risks.

The Governors of each Aspirations Academy should produce a "risk register" which demonstrates the results of the risk assessment process.

The Trust Board Directors and Governors of each Aspirations Academy District Governing Body/Local Advisory Board must also ensure that each Academy complies with general legislative requirements covering employment, property and health and safety regulations. A plan is also needed stating how they can mitigate against those working for each Academy from acting unlawfully, imprudently or outside the terms of the Aspirations Academies Trust's governing documents, and should consider whether indemnity insurance should be taken out to cover them against this liability.

2.9.5 Public Service Values

The Aspirations Academies Trust Board and the Governing Body of each Aspirations District and Academy must at all times:

- Observe the highest standards of propriety involving **impartiality, integrity and objectivity** in relation to the stewardship of public funds and the management of the bodies concerned;
- Maximise **value for money** through 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. Value for money is not the lowest price: it is the optimum combination of whole life costs and quality to meet the user's requirement;
- Be **accountable** to Parliament, users of services, individual citizens and staff for the activities of the bodies concerned, their stewardship of public funds and the extent to which key performance targets and objectives have been met;
- In accordance with Government policy on **openness and responsiveness**, comply fully with the Code of Practice on Access to Government Information, and with the nine principles of public service delivery.

2.9.6 The Role of the Chair

The Chair has particular responsibility for providing effective strategic leadership on matters such as:

- Formulating the Board's/District Governing Body's/Local Advisory Board strategy for discharging its statutory duties;
- Encouraging high standards of propriety and promoting the efficient and effective use of staff and other resources throughout the organisation;
- Ensuring that the District and Local Advisory Boards, in reaching decisions, takes proper account of guidance provided by the responsible Minister or sponsor department;
- Representing the views of the Board to the general public; And,

- Providing an assessment of the performance of individual Board members, on request, when they are being considered for reappointment to the Board or for appointment to the board of some other public body.

The Chair should ensure that the board meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and, where appropriate, the views of individual Board members.

The Chair should ensure that all members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and responsibilities. The Chair should encourage new Board members to attend an induction course on the duties of Board members of public bodies or some other suitable form of induction programme.

2.9.7 Corporate Responsibilities of Board Members

Members of the Aspirations Academies Trust Board and of the Governing Body of each Aspirations District/Academy have corporate responsibility for ensuring that the public body complies with any statutory or administrative requirements for the use of public funds. Other important responsibilities of Board members include:

- Ensuring that high standards of corporate governance are observed at all times;
- Establishing the overall strategic direction of the organisation within the policy and resources framework agreed with the responsible Minister;
- Ensuring that the Board operates within the limits of its statutory authority and any delegated authority agreed with its sponsor department, and in accordance with any other conditions relating to the use of public funds;
- Ensuring that, in reaching decisions, the Board had taken into account any guidance issued by the sponsor department;
- Formulating a strategy for implementing the *Code of Practice on Access to Government Information*, including prompt responses to public requests for information, and meeting other requirements for openness and responsiveness;
- Ensuring that the Board has specific responsibility for sustainable development;
- Ensuring that the board operates sound environmental policies.

2.9.8 Delegation

Responsibility for the day-to-day management of the Aspirations Academies Trust is delegated by the Board to the Managing Director and his staff within a clearly understood framework of strategic control.

2.9.9 Responsibilities of Individual Board Members

Individual Board members should be aware of their wider responsibilities as members of the Board. Like others who serve the public, they should follow the Seven Principles of Public Life set out by the Committee on Standards in Public Life.

The Seven Principles of Public Life

Selflessness

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

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 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 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 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 interests.

Leadership

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

Board/District Governing Body/Local Advisory Board members must:

- Undertake on appointment to comply at all times with the Code of Practice that is adopted by the public body concerned and with rules relating to the use of public funds;
- Act in good faith and in the best interests of the public body;
- Not misuse information gained in the course of their public service for personal gain or for political purpose, nor seek to use the opportunity of public service to promote their private interests or those of connected persons, firms, businesses or other organisations; and to declare publicly any private interests which may be perceived to conflict with their public duties; and
- Ensure that they comply with the Board's rules on the acceptance of gifts and hospitality.
- Fully understand that they are appointed representatives of the Aspirations Academies Trust.

Board members are expected not to occupy paid party political posts or hold particularly sensitive or high profile unpaid roles in a political party. Subject to that members are free to engage in political activities, provided that they are conscious of their general public responsibilities and exercise a proper discretion, particularly in regard to the work of the board of which they are a member. On matters directly affecting that work, they should not make political speeches or engage in other political activities.

The restrictions in above do not apply to board members who are MPs (in those cases where MPs are eligible to be appointed), to local councillors or to Peers in relation to their conduct in the House of Lords.

The arrangements for appointing individual Board members make it possible to remove them from office if they fail to perform the duties required of board members to the standards expected of persons who hold public office and who may fail to operate in the best interests of the Academy and its students.

2.9.10 The Role of the Managing Director

The Managing Director has responsibility, under the Board, for the overall organisation, management, and staffing of the Aspirations Academies Trust and for its procedures in financial and other matters, including conduct and discipline. This involves the promotion by leadership and example of the values embodied in the Seven Principles of Public Life. Board members should support the Managing Director in undertaking this responsibility.

The Managing Director is designated as the accounting officer for the Aspirations Academies Trust. The essence of the role is a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the resources in their charge. The accounting officer has a responsibility to see that appropriate advice is tendered to the Board on all these matters. Satisfactory performance of these responsibilities is fundamental to the role of the Managing Director.

2.9.11 The Board as Employer

The Aspirations Academies Trust Board is committed to ensuring:

- That it complies with all relevant legislation and that it employs suitably qualified staff who discharge their responsibilities in accordance with the high standards expected. All staff are made familiar with the Trust's main aims and objectives;
- That the Aspirations Academies trust adopts management practices which use resources in the most economical, efficient and effective manner;
- That the Aspirations Academies Trust's rules for the recruitment and management of staff provide for appointment and advancement on merit on the basis of equal opportunity for all applicants and staff. In filling senior staff appointments, the Board will always satisfy itself that an adequate field of qualified candidates is considered, and will always consider the merits of full and open competition.
- That its staff, and the Aspirations Academies Trust Board's own members, have appropriate access to expert advice and training opportunities in order to enable them to exercise their responsibilities effectively.

The Board has a responsibility to monitor the performance of the Managing Director and other senior staff. Where the terms and conditions of employment of the Managing Director and other senior staff include an entitlement to be considered for performance-related pay, and where such payments are assessed by Board members, the Board should ensure that they have access to the information and advice required to make the necessary judgements.

The Managing Director, Academy Principals and other senior staff employed by the Aspirations Academies Trust may, at times, work as paid consultants for other organisations such as other Academy Groups, Ofsted, the Department for Education, etc. This is permitted provided such work is agreed in advance and does not cause any detriment to the successful operation of the Aspirations Academies Trust or an individual Aspirations Academy. If this work is paid work completed in part of a normal working day then an agreed proportion, of the payment received for the work, outlined in the Aspirations Academies Trust pay policy should be given to the individual Academy or Trust by the individual concerned.

3. Scheme of Financial Delegation

3.1. Introduction

The Aspirations Academies Trust Board of Trustees is the statutory governing body for the entire Trust. They are supported in their financial responsibilities by the Remuneration, Risk and Finance Committee, a subcommittee of the Trust Board, to provide additional professional support, advice and challenge. This subcommittee is also a requirement of the DfE.

Day to day responsibility for financial matters at central level is delegated to the Trust Managing Director as the Chief Executive and Director of Finance and Operations subject to the limits detailed in this document.

Strategic financial oversight for individual districts is delegated to District Boards, within the limits set out in Trust-wide policies. Day to day financial oversight is delegated to Principals.

Responsibility within districts for financial processes, support and advice is delegated to the District Director of Finance and Operations (DDFO), supported by their team, which may include staff based in other academies. There will also be budget holders in each academy who will have responsibility for ensuring value for money whilst procuring items for use in their areas of responsibility up to approved limits.

3.2. Financial powers and duties reserved for the Board of Trustees

The financial powers and duties of the Board of Trustees shall be:

1. Approval of a written scheme of delegation of its financial powers and duties to its Remuneration, Risk and Finance Committee and the Managing Director. The scheme must satisfy the Board's ultimate responsibility for ensuring that there are adequate operational controls in place for all the financial processes within the Aspirations Academies Trust. The Scheme of Delegation should be operated in conjunction with the financial procedures and policies of the Trust.
2. Evaluating and approving all new academy projects.
3. Formally approving the annual Trust budget and individual academy budgets prior to the start of each financial year, as part of the operational planning process.
4. Approving any annual uplift percentages for all Trust staff.
5. Approving any bonuses for Principals and central staff.
6. Receiving the reports of the Remuneration, Risk and Finance Committee.
7. Reviewing the draft financial statements prior to audit and approve the audited financial statements prior to submission to the Secretary of State by 31 December.
8. Considering budgetary reports at every meeting from the DFO and Remuneration, Risk and Finance Committee with relevant explanations and documentation where required.
9. Arranging for the appointment of external auditors (to be ratified by the Members); and informing the Department for Education (DfE) in the event of the removal or resignation of auditors.
10. The Trust Board receive the management accounts 6 times a year, with the Chair signing these off monthly.
11. The Board having responsibility for ensure that the overall Trust Performance Management process is fair, equitable and fit-for-purpose.

3.3. Financial powers and duties delegated to the Remuneration, Risk and Finance Committee

The financial powers and duties of the Remuneration, Risk and Finance Committee shall be:

1. Receiving Trust management and published accounts and obtain comfort that they are produced promptly, and on a consistent basis.
2. Considering the nature and scope of external audit; considering external audit reports and management letters.
3. Authorising out-of-budget expenditure with a value exceeding £50,000.
4. Reviewing a list of out-of-budget expenditures with a value between £25,000 and £49,999. The Committee may also request to review the associated business cases.

Considering the adequacy of risk management by:

5. Receiving and reviewing reports on the effectiveness of controls in each academy;
6. Commenting annually on the effectiveness of risk management activity in the Trust on the basis of audit reports received, responsible officer reports relating to individual schools and any internal audit report;
7. Obtaining appropriate comfort that there is sufficient awareness of risk where appropriate in the Trust.
8. Reviewing cash and working capital projections and requirements.
9. Reviewing and approving treasury and investment policies.
10. Considering and advising the board on any internal audit requirements and review any internal audit reports.
11. Considering any matters referred by the responsible officer or by any provider of audit services.
12. Receiving reports on the operation of the register of interests.
13. Receiving reports on the implementation and enforcement of policies on fraud and financial irregularity, making appropriate recommendations and taking appropriate action as necessary.
14. Receiving and reviewing due diligence reports regarding new academy projects from the Executive Operational Board.

Insurance

- The Aspirations Academies Trust Board and the District Board on behalf of each individual Aspirations Academy Local Advisory Board must ensure each Academy has adequate insurance cover to support its activities and to comply with statutory requirements. Unless otherwise agreed with the DfE this should include cover as follows:
 - Buildings and contents of the Academy, in accordance with normal commercial practice or under the terms of any leases held by the Academy, against damage by subsidence, fire, lightning, explosion, storm, flood, riot, malicious damage, terrorism and similar risks, and theft. Suggested levels of excess: subsidence £2,500, storm/flood £500, malicious damage £250, theft £250;
 - Business interruption, for example to provide alternative temporary accommodation (suggested minimum cover £1m);
 - Employer's and public liability cover against the governors' responsibility for injury or illness of staff of third parties, or damage to third party property (suggested minimum cover £10m each);
 - Cover required by statute for vehicles operated by the academy;
 - Insurance in excess of this level should be subject to risk assessment to determine whether the policy concerned would represent value for money. Examples might include insurance

against long-term staff sickness, and cover for extra costs arising from a major disaster or tragedy over and above normal business interruption provision such as counseling services for pupils.

Borrowing

The Aspirations Academies Trust Board must seek the Secretary of State's approval for both short term borrowing (including overdraft facilities) and medium/longer term loans from the private sector (including finance leases), where such borrowing is to be repaid from DfE grant or secured on assets funded from DfE grant. However the Secretary of State's normal policy is that academies should not be granted permission for medium and long term borrowing;

The Secretary of State's Prior Approval is Required For:

- Any guarantees, indemnities and letters of comfort entered into;
- Write off of debts or liabilities owed to the academy over a specified value as set out in the annual funding letter issued by the Secretary of State;
- Any ex-gratia payments;
- Any freehold sales or purchases; and
- The grant or take up of any leasehold or tenancy agreement for more than 3 years.

3.4. Financial powers and duties delegated to the Managing Director

The Executive, in the person of the Managing Director, has delegated powers and functions in respect of internal organisation, management and control of the Trust. The Managing Director acts as Accounting Officer.

The financial powers and duties of the Managing Director shall be:

1. Coordination and evaluation of all strategic decision making for approval by the Board of Trustees.
2. Ensuring that all relevant financial considerations are considered in policy proposals.
3. The propriety and regularity of Trust finances.
4. Prudent and economical administration.
5. Authorising out-of-budget expenditure with a value between £25,000 and £49,999.
6. Approval of any changes in staffing, plus proposal of any salary changes and bonuses. Authority to certify monthly payroll rests with the Managing Director or Director of Finance and Operations. Any alteration to pay must be approved by the Managing Director. For first reports to the Managing Director then approval of any changes should be agreed with the Chair of the Board of Trustees, or the Chair's delegated representative.
7. Approval of any employment or any other discretionary settlements.
8. Ensuring that funds are properly and well managed.

The Managing Director is also required to ensure that effective management systems appropriate for achieving the Trust's objectives, including financial monitoring and control systems have been put in place. In practice, this is largely delegated to the **Director of Finance (DF)**, who acts as Principal Financial Officer.

The financial duties of the Director of Finance shall be:

1. Planning and control: overseeing the Trust's resource planning and allocation process, including the corporate and business planning process, cash budgeting and management systems.

2. Regularity and propriety: that expenditure and receipts are dealt with in accordance with the Funding Agreement and any other relevant authorities.
3. Day to day management of financial matters including the establishment and operation of suitable accounting and forecasting systems and an asset register.
4. Maintenance of effective systems of internal control.
5. Value for money: ensuring that budget holders pay proper regard to the need to obtain value for money, and that systematic arrangements exist for the costing and appraisal of all proposals with resource implications.
6. Procurement and contracting out: that procurement strategies, procedures and responsibilities are clearly set out and understood by all staff; that the obligations of European Union Directives for procurement are complied with; and that best possible value for money is obtained from procurement and contracting out activities.
7. Preparation and submission of audited accounts for the Trust and its subsidiaries.
8. Preparation of monthly management accounts and financial reports for the Board of Trustees.
9. Ensuring that all financial and administrative returns are made to the DfE and other funders.
10. Ensuring that the necessary information for other statutory returns is provided promptly.
11. Reviewing the purchases of goods and services falling outside designated budget holders of a value between £15,000 and £24,999.
12. Banking and cash management.
13. Ensuring that full, accurate and up to date records are maintained at Head Office and in academies in order to provide financial and statistical information.
14. Ensuring that all records and documents are available for audit by the appointed external auditors.
15. Reviewing income and expenditure reports for Head Office and academies and highlighting actual or potential overspending to the Board of Trustees.
16. Ensuring the arrangements for receipt of income, ordering of goods and services, payments and security of assets are in accordance with the Financial Regulations.
17. Ensuring that expense reimbursement is in line with Trust policies.
18. Maintenance of a Register of Business Interests for all District Board members.
19. Authorisation of the advertising of tenders above the OJEU limit, and authorising the awarding of such tenders in accordance with the Trust's Scheme of Financial Delegation.
20. Authorisation of the write-off of debts not collectable (the Secretary of State's prior approval is also required if debts to be written off are above the value set out in the annual funding letters).
21. Authorisation of the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete.

3.5. Financial powers and duties delegated to the District Board

The financial powers and duties of the District Board shall be:

1. Receive management accounts and obtain comfort that they are produced promptly, and on a consistent basis.
2. Approve annual budgets for academies.
3. Consider external audit reports and management letter points relating to the academy.
4. Consider the adequacy of risk management by receiving and reviewing reports on the effectiveness of controls in each academy from the RO/DFO and obtaining appropriate comfort that there is sufficient awareness of risk where appropriate in the academy.
5. Review cash and working capital projections and requirements.
6. Receive relevant reports from the executive as it considers appropriate with regard to financial and audit matters.
7. Advise or make recommendations to the executive where necessary.
8. Receive reports on the operation of the register of interests.
9. Receive reports on the implementation and enforcement of policies on fraud and financial irregularity, and make appropriate recommendations, in conjunction with the DF.

The District Board is also required to ensure that effective management systems appropriate for achieving the Trust's objectives, including financial monitoring and control systems have been put in place. In practice, this is largely delegated to the **District Director of Finance and Operations (DDFO)**, who is also supported in this by the Trust DFO.

The financial powers and duties of the District Director of Finance and Operations shall be:

1. Planning and control: overseeing the Trust's resource planning and allocation process, cash budgeting and management systems.
2. Regularity and propriety: ensuring that expenditure and receipts are dealt with in accordance with the Funding Agreement and other relevant authorities.
3. Day to day management of financial matters including the operation of the Trust accounting and forecasting systems and an asset register.
4. Maintenance of effective systems of internal control.
5. Value for money: ensuring that budget holders pay proper regard to the need to obtain value for money; and that systematic arrangements exist for the costing and appraisal of all proposals with resource implications.
6. Procurement and contracting out: that procurement strategies, procedures and responsibilities are clearly set out and understood by all staff; that the obligations of European Union Directives for procurement are complied with; and that best possible value for money is obtained from procurement and contracting out activities.
7. Preparation of finance returns for consolidation into the Trust accounts.
8. Preparation of monthly management accounts and financial reports for the Principal and District Board, highlighting actual or potential overspending.
9. Ensuring that all financial and administrative returns are made to the DfE and other funders, in conjunction with the DF.
10. Ensuring that the necessary information for other statutory returns is provided promptly.
11. Banking and cash management in line with Trust policies.

12. Ensuring that full, accurate and up to date records are maintained in order to provide financial and statistical information.
13. Ensuring that all records and documents are available for audit by the appointed external auditors.
14. Ensuring the arrangements for receipt of income, ordering of goods and services, payments and security of assets are in accordance with financial policies.
15. Ensuring that expense reimbursement is in line with Trust policies.
16. Maintenance of a Register of Business Interests for those school staff involved in the short listing or awarding of contracts.
17. Authorisation of the advertising of tenders above the OJEU limit, and authorising the award of such tenders, in conjunction with the DF.
18. Authorisation of the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete.

3.6. Financial powers and duties delegated to the Principal

1. The Principal has delegated powers and functions in respect of internal organisation, management and control of their academy.
2. The financial powers and duties of the Principal shall be:
 - a. Coordination and evaluation of all strategic decision making for approval by District Boards and the Executive Operational Board.
 - b. Taking responsibility for the monthly financial budget check for their academy and signing off this report for submission to the DF and presentation to the District Board.
 - c. Ensuring that all relevant financial considerations are considered in any proposals.
 - d. The propriety and regularity of the academy finances.
 - e. Prudent and economical administration.
 - f. Approval of all projects and signing off all budgeted expenditure with a value of up to £24,999. The Director of Finance and Operations must review all expenditure of a value between £15,999 and £24,999.
 - g. Approval of any changes in staffing, plus proposal of any salary changes and bonuses, in line with Trust policy and within budget. Authority to certify monthly payroll rests with the Principal. Any alteration to pay must be approved by the Principal, provided any increased expenditure is within the approved academy budget. For first reports to the Principal then approval of any changes should be agreed with the DDoE and District Board.
 - h. Ensuring that funds are properly and well managed.

3.7. Financial authorisation levels

Delegated duty	Value	Delegated authority
Requisitions for orders / invoice approval / contract signing / employee expenses	<p>Up to £24,999</p> <p>Between £25,000 and £49,999 (unbudgeted)</p> <p>£50,000 or above (unbudgeted)</p>	<p>Principal (or budget holder, so long as the expenditure is within budget, in line with the budget held, and the decision to spend has been delegated to the budget holder by the Principal)</p> <p>The Director of Finance must review all expenditure between £15,000 and £24,999.</p> <p>Managing Director (MD)</p> <p>The Remuneration, Risk and Finance Committee will review a list of this expenditure and may request to see the associated business cases.</p> <p>Remuneration, Risk and Finance Committee</p>
Bank account cheque / BACS payment authorisation	All	Two bank signatories. Bank signatories to be Principal, DDFO, plus at least 2 others from SLT or Head Office.
Appointing staff	<p>Where staff were in the agreed budget</p> <p>Where staff were not in the agreed budget, or to appoint at a higher level than budgeted</p>	<p>Principal</p> <p>Principal plus MD</p>

Quotations and tendering	Up to £1,000	No formal requirements other than adhering to best value principles.
	£1,000 to £30,000	Minimum of three quotes to be obtained
	From £30,000 to relevant Official Journal of the European Union (OJEU) limit*	Formal tendering process
	Over OJEU limit	OJEU advertising required in addition to formal tendering
Authority to accept other than lowest quotation	Any	MD, DF or District DFO
Disposal of assets	Up to £20,000	MD or DF
	Over £20,000	Remuneration, Risk and Finance Committee (plus ESFA)
Write-off of bad debts	Up to £2,500	MD or DF
	Over £2,500	Remuneration, Risk and Finance Committee (plus ESFA if above thresholds - 1% of income or £45,000 individually, or 2.5% of income cumulatively). The Board will be advised where the ESFA is required to be notified.
Novel, contentious and repercussive transactions and ex-gratia payments	All	MD, DF and ESFA. The Board will also be advised.

Taking up a lease	All (except below) Finance lease Lease on property for longer than 7 years	DF Not allowed MD, DF (plus ESFA)
Staff severance/compensation payments	All	The Aspirations HR Director will prepare a business case for settlements of £25,000 or greater for approval by the MD and DF. The ESFA and Board will be advised if an amount is £50,000 or greater.
Acquisition/disposal of freehold land and buildings	All	MD, DF and ESFA. The Board will also be advised.

3.8.

NB *All public procurement contracts worth more than the EC limit, which is roughly £99,000 for goods and services or for more than £3.8 million of works must be published in the daily supplement to the Official Journal of the European Union (OJEU).

4. Appendix 1:

4.1 Accountability Framework

Key:

Named roles designate a specific approver or process lead.

	Leadership or approval role
	Consultative role
	Implementation role
	Assurance role

Area of Responsibility	Members	Board of Trustees	RRF Committee	Executive Operational Board	District Board	Local Advisory Board
Strategic Leadership						
Trust five-year strategic plan	//	Approve	//	Advise	Implement	Implement
Trust development plan	//	Approve	//	Advise	Implement	Implement
Research and development strategy	//	Approve	//	Advise	Implement	Implement

Aspirations curriculum vision	≡	Approve	≡	Advise	Implement	Implement
New academy projects	≡	Approve	Advise	Implement	≡	≡
Academy improvement plans	≡	Oversee	≡	Review	Approve	Advise
Accountability						
Financial						
Annual Trust and academy budgets	≡	Approve	Recommend	Recommend	Recommend	≡
Staff annual uplift percentages	≡	Approve	Recommend	Recommend	≡	≡
Bonuses for eligible staff	≡	Approve	Recommend	≡	≡	≡
School capital funding allocation	≡	Approve	≡	Recommend	Advise	≡
Financial monitoring activities	≡	Oversee	≡	Validate	≡	≡
Financial performance data	≡	Review	Review	Review	Validate	≡
Educational						
Academy progress and attainment targets	≡	Review	≡	Review	Approve	Review
Educational monitoring activities	≡	Oversee	≡	Validate	≡	≡
Educational performance data	≡	Review	≡	Review	Validate	Review
Behaviour and attendance data	≡	Review	≡	Review	Validate	Review

Operational						
Premises monitoring activities	//	Oversee	//	Validate	Validate	Review
Marketing and recruitment strategy	//	Oversee	//	Oversee	Approve	Advise
Business and community involvement	//	Oversee	//	Oversee	Advise	Lead
Safeguarding and pupil welfare	//	Oversee	//	Oversee	Oversee	Oversee
People						
Recruitment Decisions						
Members	Appoint	Recommend	//	//	//	//
Trustees	Appoint	Recommend	//	//	//	//
Managing Director	//	Appoint	//	//	//	//
Principals and Vice-Principals	//	//	//	MD/DMD	//	//
Executive Operational Board Members	//	//	//	MD/DMD (on behalf of Trustees)	//	//
District Board Chair	//	//	//	MD/DMD (on behalf of Trustees)	//	//
District Board Members	//	//	//	MD/DMD (on behalf of Trustees)	//	//
LAB Chair	//	//	//	MD/DMD (on behalf of Trustees)	Principal	//

LAB Members	≡	≡	≡	MD/DMD (on behalf of Trustees)	Principal	≡
Appraisals and Pay Reviews						
Managing Director/Deputy Managing Director	≡	Oversee	Chair	≡	≡	≡
Director of Finance	≡	Oversee	≡	MD/DMD	≡	≡
District Directors of Education	≡	Oversee	≡	MD/DMD	≡	≡
District Directors of Finance and Operations	≡	Oversee	≡	DFO	≡	≡
Principals	≡	Oversee	≡	MD/DMD	≡	≡
Structures						
Amendment of Articles of Association	Amend	Recommend	≡	≡	≡	≡
Appointment of external auditors	Appoint	Recommend	Recommend	≡	≡	≡
Compliance						
Policies						
Trustwide policies and model policies for academies	≡	Approve	≡	Advise	Implement	Implement
Panel Hearings – Academies						
Pupil exclusions	≡	Oversee	≡	≡	Monitor	Convene
Staff discipline, grievance and capability	≡	Oversee	≡	≡	Monitor	Convene

Complaints	//	Oversee	//	//	Monitor	Convene
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4.2 Actions to ensure robust governance and effective financial management

Aspirations is conscious of the need for the Trust Board to oversee the operation of the Trust in order to discharge their responsibilities and ensure robust governance and effective financial management arrangements. The structures and systems set up to monitor attainment, progress, attendance, exclusions and finance are electronic and accessible to all Board members at all times. The Aspirations education model is designed to not only rapidly improve schools through efficient and effective systems and structures in our academies, allowing Principals to focus on teaching and learning, it is also driven to produce an effective and efficient model of governance using systems in which every action accountable and transparent in order to reduce bureaucracy and to operate within the norms of the 21st century. The trust has several business leaders on the Board and some of the systems and structures we are putting in place are designed through studying their business approaches. As a result our approach to governance is extremely robust. There are several levels of scrutiny below the Board level, these are:

- The Local Advisory Boards in each Academy
- The District Boards
- The Executive Operational Board

Also, the Trust Board has further levels of scrutiny:

- The RRF committee meets four times a year (the Trust's auditors also attend each meeting).
- Each month the Trust management accounts are scrutinised by the Chair of the Trust Board
- Six times a year every Trustee receives the Trust's management accounts for their scrutiny and comments
- Each half-term all Board members receive a Managing director's report outlining student data issues and the general developments of the Trust
- All Trust board members can at anytime access the Trust wide 'DCPro' assessment system that monitors progress, attainment, attendance and exclusions and provides live data.
- All Trust Board members can at anytime access the HCSS finance systems which outlines the overall Trust and individual academy finances with live data.