



The Sovereign Trust

Scheme of Reservation and Delegation (SoRD)

Approved by Board on 18th December 2018

Applies with immediate effect

Date of completion of next scheduled formal review December 2019

Document to be made available to Members, Board Directors, Members of Academy Advisory Committees, Heads of School/Academies, Chief Executive Officer and senior leadership team. The document to be published on the Trust website.

Purpose of the Scheme of Reservation and Delegation

Introduction

Sovereign Trust is a Multi Academy Trust (MAT) and is referred to in this document as 'the Trust'. Our Board of trustees is accountable in law for all decisions about the schools that form part of the Trust. However, this does not mean that the Board is required to make all the decisions itself. Many decisions can and should be delegated to board committees, the Chief Executive Officer (CEO), Academy Advisory Committees (ACC) - that are legally regarded as committees of the Trust board, or Heads of School. It is important that any decision to delegate a function is made by the full board of trustees and is recorded. Without such formal delegation, the individual or committee has no power to act. Reference to the CEO will include those individuals he/she identifies as part of her senior leadership team/executive team that must include the Chief Financial Officer (CFO).

What functions the board decides to delegate will depend upon the size of the Trust and the way in which our leadership is structured, taking into account shared ethos, geographical spread and the number of pupils in our schools. As we expand, it is more likely there will be a need to delegate to committees. Once adopted by the Board, our Scheme of Reservation and Delegation must be published on the Trust's website and those of individual schools.

The purpose of our Scheme of Delegation

Our Scheme of Reservation and Delegation is the key document defining which functions have been delegated and to whom. It is a simple, yet systematic, way of ensuring members, trustees, committees (including AACs), the CEO and their senior leadership team, and Heads of School, as well as schools looking to join the Trust in future, are clear about who has responsibility for making which decisions in the Trust. This overarching Scheme covering all decision-making in the Trust should not be confused with the written scheme of delegation of financial powers referred to in the Academies Financial Handbook (AFH), which is a separate document. However, this Scheme does include specific references to the AFH.

Individual schools may opt to join the Trust and, with the agreement from the Trust, they will retain their AAC as a committee of the Trust board. It needs to be clearly understood by all parties that this is subject to future change. The Trust board will always have the power to appoint and remove committees at any point, whether it be a committee of the Trust board, or AAC. Although the AAC may be retained as a committee of the Trust board, its decision-making powers may well be very different to those it had as a local authority maintained school governing body.

This Scheme is intended to demonstrate clearly the lines of accountability. It should help prevent confusion arising before any misunderstanding occurs that could lead to a loss of trust and damaged working relationships.

Where there is duplication or overlap, questions should be asked, otherwise unnecessary workload issues may develop (e.g. the need to produce reports for and attending meetings of more than one layer of governance) and cracks can develop as assumptions are made about who is responsible for what, with the result that decisions are either not made, or different decisions are reached by different people or committees. This will be a 'living document', reviewed by the Trust board annually and which may need to evolve as the structure and size of our Trust changes. If you identify any areas for improvement you are encouraged to raise them with the Chair of the Trust board, the CEO or the Secretary.

Our Scheme of Reservation and Delegation is designed to:

- ensure the CEO and their senior leadership team is clear about which decisions the Trust board remains in control of
- ensure that the role and functions of the CEO and their senior leadership team are fully understood throughout the Trust
- promote a culture of honesty and accountability
- identify responsibility for the appointment and performance management of the CEO/ and Heads of Schools
- identify responsibility for policy and practice in each school within the Trust
- identify responsibility for oversight of each School's budget
- identify responsibility for assessment of risk in each School
- identify responsibility for oversight of educational performance in each School

The Scheme of Reservation and Delegation is structured across the following key areas of decisions:

Our overarching Governance

- Member matters
- Board matters
- Academy Advisory Committee matters

Our vision, values, strategy and leadership

Our educational provision and pupils

Our people

Our finances

Our financial delegations

Our procurement of services

Our information management and communications

Our health and safety, and safeguarding

Our estates and other fixed assets

The Scheme identifies where key decisions and actions need to be taken, and those committees or individuals that provide critical advice. It is important to remember that individuals will also provide advice through attendance at or membership of a Committee, and the document is not designed to show every source of advice that may be taken. Similarly the CEO will take advice from members of their senior leadership team.

Scheme of Reservation and Delegations

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
Our Overarching Governance									
- Member matters									
	Agree and amend Articles of Association	Decide	<Advise						<Advise/Approve changes
	Call Members' meeting	Decide	Decide						
	Appoint/remove members	Decide							
	Update and review Members' register of interests and take any required action	Decide							
	Appoint and remove Trustees	Decide	<Advise. Board can co-opt						
	Issue direction to Trustees to take specific action through special resolution	Decide							
	Appoint/remove external auditors and agree fee	Decide	<Advise	<Advise					
	Agree any steers on receipt of annual accounts and annual report on performance and standards	Decide							
	Agree any steers on Director/trustee board skills audit and development plans, and Register of Interests	Decide	<Advise						
- Board matters									
	Appoint/Remove Chair & Vice Chair of Board of Trustees		Decide						
	Co-opt Trustees		Decide						

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	Determine, agree and amend Scheme of Reservation and Delegation, Terms of Reference for the Board and any constituted committees/sub committees incl. Finance, Risk & Audit		Decide	<Advise	<Advise	<Advise			
	Appoint/Remove Chair of Finance, Risk and Audit Committee, and any other committees the Board may decide to constitute including Academy Advisory Committees		Decide		<Recommend appointment of Chair to Board				
	Appoint, suspend or dismiss Chief Executive/Accounting Officer		Decide						
	Determine overall approach to risk management framework, policy and processes		Decide	<Advise					
	Determine code of conduct incl. conflicts of interest policy, related party transactions, gifts and hospitality policy and format of associated registers, role profiles and associated policies for Trustees and governors. Must publish registers on website.		Decide and action	<Advise		<Advise		<Advise	
	Contracts for supply of goods to the Trust by a related party on/after 1 st April 2019		Decide up to threshold then ESFA approval	<Advise					Single or multiple contract(s) exceeding £20K in same financial year. See 3.10.6 AFH
	Determine Whistleblowing policy		Decide						

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	Appoint Company Secretary/Clerk to the Trustees		Decide			<Advise			
	Board and individual Committees agree their own annual work plans		Decide	Decide	See ACC matters				
	Update and review register of interests for Trustees and employees in decision-making roles and take any required action		Decide	<Advise					
	Determine and appoint individuals to specific roles as necessary – Chief Finance Officer, Safeguarding, Health & safety, Information governance		Decide	<Advise		<Advise			
	Determine key Trust wide policies that need to be in place, approval and review process incl. those to be delegated		Decide	<Advise		<Advise		<Advise	
	Annual Financial Report and Statements and management action plan in response to audit comments	Receive	Approve	<Advise		<Advise		<Advise	
	'Statement on regularity, propriety, and compliance' each year with annual accounts		Approve	<Advise		Author		<Advise	
	Agree steers and actions from annual review of governance and board effectiveness, skills audit and performance review incl. Chair		Decide	<Advise		<Advise		<Advise	
	Determine policy and sign-off right for individual Academy/Company returns		Decide			<Advise		<Advise	
	Set up subsidiary companies or		Decide	<Advise		<Advise		<Advise	

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	key partnerships								
	Obtain director, governor and employee insurance		Decide			<Advise		<Advise	
	Agree steers and actions in reviewing strategic risk register		Decide	<Advise		<Advise			
	Determine any novel, contentious and repercussive transactions for ESFA approval		Decide						Approval required in all cases. See 3.2 AFH
- Academy Advisory Committee matters									
	Remove Committee Chair (for appointment see Board matters)		Informed (appointment to be approved by Board)		Decide	<Advise			
	Appoint to/remove from committee vice-chair and other members within agreed Terms of Reference of ACC				Decide	<Advise			
	Determine membership of ACC committee structure within agreed framework				Decide	<Advise			
	Take action from staff and parent elections for ACCs				Decide				
	Allocate specific local governor roles				Decide				
	Update and review register of interests for Governors and employees in decision-making roles and take any required action		Receive		Decide				
	Appoint clerk to the ACC				Decide		<Advise		
	Agree steers and actions from annual review of governance and committee effectiveness and skills audit				Decide				

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	Agree steers and actions in reviewing academy risks including escalation to Trust wide risk register		Receive	<Advise	Decide	<Advise	<Advise		
Our Vision, Values, Strategy and Leadership									
	Set Trust vision, values, strategic objectives, development plans, KPIs incl. specific finance KPIs, and review		Decide		<Advise	<Advise	<Advise	<Advise	
	Determine overall approach for overseeing performance and gaining assurance to support effective risk management		Decide	<Advise		<Advise			
	Determine local plan as necessary in order to champion the Trust wide vision, values, and meet strategic objectives and development plans and gaining assurance				Decide	<Advise	<Advise Implement		
	Determine growth strategy and protocol for considering taking on new school/academy and due diligence to be undertaken		Decide			<Advise		<Advise	
	Take on a new academy/school/open free school and signing legal documentation		Decide	<Advise		<Advise			
	Determine Academy closure/merger and associated arrangements/documentation		Decide			<Advise		<Advise	
	Determine other significant proposals or changes to an academy/school		Decide		<Advise	<Advise			
Our educational provision and pupils									

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/ School	Chief Finance Officer	ESFA
	Determine the educational character, mission, ethos of the Trust and associated policies incl. behaviour & discipline, admissions, exclusions, child protection, safeguarding, school meals		Decide			<Advise			
	Determine local plans as necessary to meet educational character, mission, ethos of the Trust				Decide	<Advise	<Advise Implement		
	Determine and approve school curriculum policy proposed by Head (to extent aligned with Trust wide policy)				Decide	<Advise	<Advise Implement		
	Determine school sessions and term times				Decide	<Advise	<Advise		
	Provision for Worship				Decide	<Advise	<Advise		
	Take action on Pupil progress and attainment		Decide (Trust wide)		Decide	<Advise	<Advise		
	Take action on Pupil attendance				Decide	<Advise	<Advise		
	Take action on use of pupil premium				Decide	<Advise	<Advise		
	Take action on Access		Decide		<Advise	<Advise			
	Take action from hearing complaints				Decide	<Advise	<Advise		
	Exclusion of pupils				Decide	<Advise	<Advise		
Our People									
	Agree Trust wide People strategies, policies, (processes and procedures), handbook and terms and conditions and delegations		Decide			<Advise		<Advise	
	Take action to ensure effective					Decide			

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	implementation, maintenance, review, risk mitigation, and compliance with agreed framework								
	Take action in academies/schools to meet Trust wide requirements						Decide		
	Define overarching executive/management structure – Chief Executive and direct reports		Decide			<Advise			
	Appoint, suspend and dismiss direct reports of Chief Executive		Representative Advise>			Decide			
	Set and review pay, T&Cs and performance objectives for Chief Executive		Decide or on advice of pay committee of the Board						
	Set and review pay, T&Cs and performance objectives for direct reports of Chief Executive		Representative Advise>			Decide			
	Appoint, suspend and dismiss Head/Deputy Head of Academy/school				Representative Advise re Head>	Decide	<Advise re Deputy		
	Set and review pay, T&Cs and performance objectives for Head/Deputy Head of Academy/school				Representative Advise re Head>	Decide	<Advise re Deputy		
	Determine at school level staffing requirements, appoint, suspend and dismiss teaching and non-teaching staff, set performance objectives and review within delegated budget				Advise>	Advise>	Decide	<Advise	
	Determine applications of early retirement		Decide for Chief Executive			Decide		<Advise	

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	Determine individual staff severance payments, and any other compensation payments		Decide below ESFA limit			<Advise		<Advise	Approval where non-statutory/contractual element is £50k or over. See 3.3.5 and 3.3.9 AFH
	Ex-gratia payments		Decide to seek approval from ESFA			<Advise		<Advise	All. See 3.3.12 AFH
Our Finances									
	Appoint of internal auditors and scope of work, and fee		Approve appointment	<Advise Decide scope of work and fee				<Advise	
	Determine Financial Scheme of Delegation (part of wider SoRD)		Decide	<Advise				<Advise	
	Agree key accounting policies incl capitalisation of fixed assets and depreciation		Decide	<Advise				<Advise	
	Agree Financial Instructions and key financial polices/ procedures including designated signatories in accordance with approval & review framework agreed by Board		Decide	<Advise Decide where delegated				<Advise	
	Sign funding agreements		Decide			<Advise		<Advise	
	Set Annual Budget and 3 year Financial Plans Trust wide and individual academies/schools and agree subsequent changes of significance incl. specified returns to ESFA		Approve	<Advise	<Advise re school	<Advise		<Advise	
	Agree funding model for Trust		Decide	<Advise				<Advise	
	Agree format, content and		Decide	<Advise				<Advise	

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	reporting arrangements cycle for reporting financial performance								
	Agree Trust wide actions and steers/direction to schools in reviewing in-year financial performance, cash flow and balance sheet		Decide	<Advise		<Advise		<Advise	
	Agree school actions and steers/direction in reviewing in-year financial performance, and balance sheet in accordance with financial scheme of delegation				Decide	<Advise	<Advise	<Advise	
	Take action to ensure effective implementation, maintenance, review, risk mitigation, and compliance with agreed framework of financial control escalating risks to Board as necessary					Decide	Decide	<Advise Decide	
	Open bank account		Decide					<Advise	
	Determine reserves policy and agreeing use of carried forward reserves		Decide					<Advise	
	Set standard price schedule for services and lettings			Decide	<Advise as relevant to school			<Advise	
Our Financial Delegations									
	Write off debt and losses, or entering into guarantees, indemnities or letters of comfort		£10k to £45k per single transaction and below cumulative limits	£5k to £9,999		£1k to £4,999	Up to £999	<Advise	Approval over £45K per single transaction. Cumulative limits in operation. See 3.4.2 of AFH

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	Borrow from any source		Decide (within ESFA limitations or seek approval)					<Advise	Approval of ESFA. See 3.8.1/2. AFH
	Virements between defined budget lines of overall delegated budget to individual. See budget virement policy and limitations.		£50k and above	£25k to £49,999		£10k to £24,999	Up to £9,999	<Advise	
	Authorising contracts and obtaining goods, works, or services (incl. operating leases) with a total value of: <ul style="list-style-type: none"> - £50K and above (full tendering process incl. following OJEU over threshold) - £10k to £49,999 (at least 3 competitive quotes) - £3k to £9,999 (at least 3 competitive quotes) - £1k to £2,999 (at least 2 verbal quotes up to £2,999) - Upto £999 (at least 1 verbal quote) within approved budget. To be accompanied with business case/justification over £10K			£100k and above		£10k to £99,999 Up to £9,999 nominated budget holders upto agreed limits set by CE	Up to £9,999 and nominated budget holders upto agreed limits	<Advise	
	Approve and submit bids/tenders for new services or applications for grant		£250k and above	£100k to £249,999		Up to £99,999		<Advise	
	Staff Expense claims		Chair of Board			Decide for	Decide for	<Advise re	

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
			or Trustee to sign Chief Executive			direct reports and nominated signatories	direct reports and nominated signatories	signatories	
	Credit notes					Advise>	Advise>	Decide	
	Approve sales invoices including out of borough placements					£50k and above		Up to £49,999 and nominated finance staff upto agreed limits	
	Approving purchase orders Need to avoid any one individual authorising commitment to spend, raising order and signing invoice			£100k and above		£10k to £99,999 Nominated individuals upto £9,999	Up to £9,999		
	Approve overtime					Decide	Decide up to £999		
	Set max limit for petty cash							Decide £400	
	Payment by BACS Two signatories – one from A and one from B					Category A Nominated signatory	Category B One of Head, Deputy or Assistant	Category A Nominated signatory, plus direct report where no item above £4,999	
Our Procurement of services									
	Agree Trust wide Procurement policies, (processes and procedures)		Decide			<Advise		<Advise	
	Take action to ensure effective implementation, maintenance,					Decide		<Advise	

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	review, risk mitigation, and compliance with agreed framework escalating risks to Board as necessary								
	Take action in academies/schools to meet Trust wide requirements					Advise>	Decide	<Advise	
	Take up lease other than requiring ESFA approval. See Authorising contracts and obtaining goods, works, or services (inc operating leases) – Our Financial Delegations							<Advise	
Our Information Management and Communications									
	Agree Trust wide Information Management and Communication strategies, policies, (processes and procedures)		Decide			<Advise			
	Determine complaints policy and procedures		Decide			<Advise			
	GDPR policy and compliance		Decide			<Advise			
	ICO registration					Action			
	Take action to ensure effective implementation, maintenance, review, risk mitigation, compliance with agreed framework escalating risks to Board as necessary					Decide			
	Take action in academies/schools to meet Trust wide requirements				Advise>	Advise>	Decide		
	Trust and school prospectus		Approve			<Advise			
	Academy Website					Decide			

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	Determine and authorising press statements		Decide - Chair			<Advise			
Our Health and Safety and Safeguarding									
	Agree Trust wide Health & Safety, Safeguarding strategies, policies, (processes and procedures)		Decide			<Advise			
	Individual school safeguarding policy				Decide within parameters set by Board	<Advise	<Advise		
	Take action to ensure effective implementation, maintenance, review, risk mitigation, and compliance with agreed framework escalating risks to Board as necessary					Decide			
	Take action in academies/schools to meet Trust wide requirements				Advise>	Advise>	Decide		
	Appoint designated teacher to support looked after children and ensure role compliant with statutory guidance						Decide		
	Approve off site vests of pupils of more than 24 hours						Decide		
Our Estates and other fixed assets									
	Agree Trust wide Estates strategy, policies, (processes and procedures)		Decide			<Advise			
	Take action to ensure effective implementation, maintenance, review, risk mitigation, and compliance with agreed framework escalating risks to					Decide		<Advise	

Ref	Key Decisions and actions	Members	Board of Directors	Finance, Risk & Audit Cttee	Academy Advisory Cttees (ACCs)	Chief Executive Officer	Head of Academy/School	Chief Finance Officer	ESFA
	Board as necessary								
	Determine external and community use policy		Decide			<Advise			
	Obtain relevant insurance for operations		Decide					<Advise	
	Take action in academies/schools to meet Trust wide requirements				Advise>	Advise>	Decide		
	Approve capital projects/building works within approved sums			£100k and above		Up to £99,999		<Advise	
	Take action to manage capital projects/building works					Decide	<Advise	<Advise	
	Site Security					Advise>	Decide		
	Acquire and disposing of freehold of land and buildings		Propose						Approval in all instances. See 3.5.1 AFH
	Disposal of any fixed asset other than land, buildings and heritage assets			£50k and over		£10k to £49,999	Up to £9,999		
	Take up finance lease on any class of asset for any duration from another party		Propose			<Advise		<Advise	Approval in all instances. See 3.6.2 AFH
	Take up leasehold or tenancy agreement on land and buildings from another party for 7 years or more		Propose			<Advise		<Advise	Approval in all instances. See 3.6.2 AFH
	Grant a leasehold interest, including a tenancy agreement, of any duration on land and buildings to another party		Propose			<Advise		<Advise	Approval in all instances. See 3.6.2 AFH