



**TERMS OF REFERENCE FOR CEO AND AO
WITH DELEGATION TO THE EXECUTIVE
TEAM FROM THE BEST BOARD**

Approved	
Signature of CEO	
Date:	
Signature of Chair of Board	
Date:	
Agreed at the Board Meeting on:	9 th April 2019
Minute Reference:	Item 5.3

Document reference:	v 1.1
Created by:	Viv Hughes
Creation date:	February 2019
Reviewed by:	Board
Review date:	9th April 2019
Master File location:	BEST-education: BEST Governance
Next review due:	September 2019

CONTENTS

1 INTRODUCTION.....	3
2 THE CHIEF EXECUTIVE OFFICER	3
3 THE EXECUTIVE TEAM.....	4
4 TRUST DEVELOPMENT LEAD.....	4
5 TRUST FINANCIAL LEAD	4
6 THE ACCOUNTING OFFICER	5
7 MATTERS RESERVED TO THE TRUST BOARD	5
8 REPORTING TO THE TRUST BOARD	5
9 THE RELATIONSHIP BETWEEN THE TRUST BOARD AND THE CEO.....	6
10 APPRAISAL.....	7
11 CIRCULATION	7
12 REVIEW	7

1 INTRODUCTION

- 1.1 The purpose of these terms of reference¹ is to provide for the delegation of powers to the Chief Executive Officer (CEO) and to provide narrative around the relationship between the Trust Board and the Executive Team (as described in clauses 1.4 and 1.5) with a view to ensuring effective leadership and governance.
- 1.2 The relationship between the Trust Board and the Executive Team is characterised as a very strong and focussed partnership to realise a common vision and purpose.
- 1.3 The Scheme of Delegation Matrix and Terms of Reference provide clarity as to who are the decision makers for different types and levels of decisions.
- 1.4 The Executive Team, which includes the CEO, is the executive management arm of the BEST, focusing on operations and the educational performance of the schools.
- 1.5 The Executive Team includes the following posts:
- 1.5.1 the Chief Executive Officer;
 - 1.5.2 the Chair of the Trust Board;
 - 1.5.3 the Trust Development Lead; and
 - 1.5.4 the Trust Financial Lead.
- 1.6 The Executive Team shall have regard to the framework for inspecting schools in England under section 5 of the Education Act 2005 (as amended) issued by the Office for Standards in Education, Children's Services and Skills (Ofsted).
- 1.7 The Executive Team must operate within the guidance provided in:
- 1. the essential trustee: what you need to know, what you need to do (CC3) (Charity Commission, May 2018 and its successors),
 - 2. the DfE Governance Handbook (Jan 2017 and its successors) and
 - 3. the DfE Competency Framework for Governance (Jan 2017 and its successors) – all of which are available on www.gov.uk.
- 1.8 The Executive Team shall have regard to the Academies Financial Handbook (Sept 2018 and its successors), which is also available on www.gov.uk.
- 1.9 The CEO will chair the Executive Team. The Executive Team works directly with the staff in each school and the Hub LGBs and SIBs where they are in place to ensure that the required outcomes are achieved in accordance with the direction and vision of the Trust Board.

2 THE CHIEF EXECUTIVE OFFICER

- 2.1 The Trust Board has appointed a CEO whose role is to provide professional leadership, strategic management and direction for the Trust and its schools. The members of the Trust have further approved the appointment of the CEO as an ex-officio Trustee.
- 2.2 The CEO reports to the Trust Board and shall comply with any reasonable direction by the Trust Board when acting on the Trust's behalf.
- 2.3 Broadly, the CEO is responsible for:
- 2.3.1 the internal organisation, management and control of the Trust;

¹ Adapted from Reach2 Academy Trust ToRs.

- 2.3.2 advising on and implementing the Trust's strategic framework;
 - 2.3.3 the implementation of all policies approved by the Trust Board; and
 - 2.3.4 any further item identified for the Executive Team under the Scheme of Delegation; subject to any restrictions made by the Trust Board.
- 2.4 The CEO will formulate aims, objectives, policies and targets for the Trust Board to consider, and will report to the Trust Board on progress at each meeting.

3 THE EXECUTIVE TEAM

- 3.1 In fulfilling his or her role, the CEO is assisted by the Executive Team, in particular:
- 3.1.1 Trust wide development and its implementation through school development planning and co-ordinating its Trust wide implementation is delegated by the CEO to the Trust Development Lead; and
 - 3.1.2 Trust financial leadership, effective operation of Trust's financial systems and assistance in budget development and implementation of the budget is delegated by the CEO to the CFO and thence, in part, to the Trust Financial Lead.
- 3.2 The CEO may delegate such functions across the Executive Team, as he or she may reasonably consider appropriate.

4 TRUST DEVELOPMENT LEAD

- 4.1 The key responsibility of the Trust Development Lead (TDL) is to identify and shape the Trust's Development for Growth and Innovation through building on the individual school development plans and co-ordinating the delivery of the agreed Trust Strategy.
- 4.2 The TDL will be a member of the Executive Team, alongside the CEO, the Chair of the Trust Board and the Trust Financial Lead. They will be accountable to the Trust Board.
- 4.3 They will have responsibility for ensuring the Trust's vision and ethos is embedded across all Trust schools, and will work with the Executive Team to ensure that BEST's three year budget plan will deliver against the Trust's Development Plan and ensure consistency throughout the Trust and with the Trust's Strategic Plan.

5 TRUST FINANCIAL LEAD

- 5.1 The key responsibilities of the Trust Financial Lead (TFL) are to work with the Trust's CFO:
- 5.1.1 to provide finance leadership, support and guidance for the finance function of the Trust, across all schools
 - 5.1.2 to assist with all aspects of development and effective operation of BEST's financial systems and procedures.
 - 5.1.3 to assist in budget setting and monitoring, departmental budget, costing activities and development of budget profiles.
- 5.2 The Trust Financial Lead will be a member of the Executive Team, along with the CEO, the Chair of the Trust Board and the Trust Development Lead. They will be accountable to the Trust CEO (AO) / CFO.

6 THE ACCOUNTING OFFICER

- 6.1 The CEO shall have the role of Accounting Officer (AO), as set out in the Academies Financial Handbook (AFH) 2018 and its successors.
- 6.2 The role includes ensuring high standards of probity in the managements of public funds and in particular:
- 6.2.1 **value for money** – this is about achieving the best possible educational outcomes through the economic, efficient and effective use of resources.
 - 6.2.2 **regularity** – dealing with all items of income and expenditure in accordance with legislation, the terms of funding agreement and the AFH, and compliance with the Trust's internal procedures.
 - 6.2.3 **propriety** – the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of parliamentary control – this covers standards of conduct, behaviour and corporate governance.
- 6.3 Included in the responsibilities of the AO is a duty to take appropriate action, if the Trust Board (or a Hub LGB or SIB) or the Chair of the Trust Board is contemplating a course of action that the AO considers would infringe the requirements of propriety or regularity (including the provisions of the Funding Agreement or other documents setting out the financial duties of the Trust Board or of any other rules governing the conduct of the Trust Board), or would not represent prudent or economic administration, or the efficient or effective discharge of the Trust Board's functions.
- 6.4 The AO may delegate or appoint others, such as the CFO and / or the Trust Financial Lead, to assist in carrying out these functions.

7 MATTERS RESERVED TO THE TRUST BOARD

- 7.1 Matters which are expressly reserved to the Trust Board are as specified in the Scheme of Delegation Matrix or as otherwise specified by the Trust Board.
- 7.2 In determining the division of roles between the Trust Board and the CEO (and the wider Executive Team), the Trust Board will have regard to the following principles:
- 7.2.1 non-executive powers must be exercised by the Trustees personally and may not be delegated;
 - 7.2.2 the Hub LGBs and SIBs where in place are not under the direction of the CEO (except for 4.3 above), as they report direct into the Trust Board.
 - 7.2.3 except when it is impracticable to do so, executive powers should be delegated to the CEO, who may authorise further delegation; and
 - 7.2.4 every act of delegation is only a delegation of powers and does not relieve the Trustees of responsibility.

8 REPORTING TO THE TRUST BOARD

- 8.1 The CEO is responsible for the matters delegated to him or her by the Trust Board but the Trust Board retains responsibility for all strategic decisions in relation to the Trust, which the CEO will ensure are considered by the Trust Board.

8.2 In order to assist the Trust Board to safeguard and apply the Trust's assets in the most effective manner, the CEO will ensure that any significant or material matter that arises in the course of the Trust's operations is reported to the Trust Board, including in particular:

8.2.1 special risk management issues, including insurance limits

8.2.2 the avoidance of wrongful or fraudulent trading

8.2.3 any correspondence from a regulator of a negative nature

8.2.4 matters which are fall within the Charity Commission's definition of 'serious incidents' which require a report to the EFA

8.2.5 any matters which require referral to the Trust Board under the scheme of delegation of financial powers

8.2.6 the acquisition and disposal of assets or liabilities with a value in excess of 1% of the Trust's net assets or income

8.2.7 investments and capital projects which are material in the context of the Trust's net assets or income and

8.2.8 contracts which are not in the ordinary course of the Trust's operations.

8.3 The CEO (or a member of the Executive Team in his or her absence) shall:

8.3.1 provide a report to the Trust Board in writing; and

8.3.2 attend the Trust Board meeting to discuss the report, other relevant issues and answer questions.

8.4 The CEO shall maintain regular contact with the Chair of the Trust Board between Trust Board meetings and share all relevant information with them concerning the welfare and good reputation of the Trust, the schools and their community. The Executive Team meetings will be the primary conduit for sharing this information.

9 THE RELATIONSHIP BETWEEN THE TRUST BOARD AND THE CEO

9.1 It is the role of the Trust Board to act as a critical friend to the CEO. The relationship between the Trust Board and the CEO must be one of mutual trust, confidence and candour, if the Trust is to succeed.

9.2 The Trust Board will support and oversee the work of the CEO and hold them accountable for the authority that is delegated to them and how they exercise it. The Trust Board will not without good cause and consultation (where practicable) interfere in the exercise of the CEO's executive powers and in particular, the role of the CEO in overseeing its work.

9.3 The Trust Board must ask the CEO questions that ought to be asked and to satisfy themselves that the Trust is being properly conducted. The CEO must give the Trust Board enough information to ensure they are discharging their duties properly and in a timely manner.

9.4 The Trust Board must fully consider any views and proposals relating to any matter within the non-executive powers of the Trust Board which may be submitted to them by the CEO or another member of the Executive Team.

9.6 The Trustees are entitled to trust the CEO and the wider Executive Team until there is reason to distrust them. However, the Trust Board should exercise reasonable supervision and ask questions that ought to be asked.

9.7 Any issues surrounding the performance of the CEO should be raised directly with the Chair of the Trust Board, and likewise, any concerns the CEO have over the Trust Board or one of its number, should be raised with the Chair (or the Vice-Chair in the case of the Chair).

10 APPRAISAL

10.1 The CEO's performance is appraised annually by an Appraisal Panel, appointed by the Board, comprising two Trustees and one external adviser. The Appraisal Panel shall ordinarily consult with the other members of the Executive Team in relation to the performance of the CEO before the appraisal takes place.

11 CIRCULATION

11.1 These terms of reference shall be circulated to the Trust Board, the CEO, the Executive Team and others at the discretion of the Chair of the Trust Board.

12 REVIEW

12.1 These terms of reference will be reviewed by the Trust Board annually.