

**COMPASS ACADEMY TRUST**  
**TERMS OF REFERENCE FOR LOCAL GOVERNING BODIES**  
**APPROVED BY THE TRUSTEES ON 6 DECEMBER 2016**

**ACADEMY NAME: COMPASS ACADEMY TRUST**

**1 THE ROLE OF THE LOCAL GOVERNING BODY**

- 1.1 The Local Governing Body is a committee of the main board of the Trust. Each Academy has its own Local Governing Body. Each Local Governing Body is established by the Board in accordance with the Trust's Articles and will be subject to Terms of Reference set out below which will detail the responsibilities of the Local Governing Body and its relationship with the main board.

**2 THE TRUST AND LOCAL GOVERNING BODY**

- 2.1 The Trust is a charitable company limited by guarantee. It has entered into a Master Funding Agreement with the Department for Education and a Supplemental Funding Agreement in respect of the Academy (together the "Funding Agreements") and so it is the Trust that is ultimately responsible to the Department for Education pursuant to the Funding Agreements.
- 2.2 The Trustees are the charity trustees (within the terms of section 177 of the Charities Act 2011) and are responsible for the general control and management of the administration of the Trust in accordance with the provisions set out in the Articles.
- 2.3 The Local Governing Body is a committee of the Trustees established pursuant to Article 100. The Local Governing Body will act in accordance with these Terms of Reference and the Scheme of Delegation for the Academy unless otherwise directed by the Trustees. It will be accountable to the Accounting Officer and to the Trustees for its decisions.
- 2.4 Pursuant to Article 46(c), the Chair of each Local Governing Body shall be a Trustee.

**3 LOCAL GOVERNING BODY – APPOINTMENT AND STRUCTURE**

- 3.1 Membership of the Local Governing Body shall comprise not less than 9 and not more than 15 Local Governors, as follows:
- (a) The Headteacher
  - (b) A minimum of 2 and a maximum of 5 Parent Local Governors
  - (c) Up to 2 Staff Local Governors;
  - (d) Local Governors appointed by the Local Governing Body on behalf of the Trust

With regard to the Local Governors appointed by the Local Governing Body, these shall be reported to Trustees via the Trustees' Clerk. Trustees have the right to remove a Local Governor so appointed.

- 3.2 Staff Local Governors shall be elected by staff members at the Academy. A Staff Local Governor must be a staff member at the time when they are elected. If a Staff Local Governor ceases to be a staff member then they shall be deemed to have resigned and shall cease to be a Local Governor. The Local Governors shall make all necessary arrangements for, and determine all other matters relating to, an election of the Staff Local Governors, including any question of whether a person is a staff member. Any election of Staff Local Governors which is contested shall be held by secret ballot.
- 3.3 The length of a Local Governor's term of office shall be four years, save that:
- (a) this shall not apply to the Headteacher, who shall hold office as a Local Governor for so long as they are in post as Headteacher;
  - (b) unless otherwise determined at the first meeting of the Local Governing Body, Local Governors who were governors of the Predecessor School at the date immediately prior to the Conversion Date shall continue to serve their remaining term of office as if they were still governors of the Predecessor School.

A Local Governor may be re-appointed for consecutive periods not exceeding 12 years in total (and for those Local Governors who were governors of the Predecessor School, the 12 years period shall be deemed to have commenced on the date of their most recent appointment as a governor of the Predecessor School). Thereafter a Local Governor shall not be eligible for re-appointment until one year after their retirement, unless agreed exceptionally by resolution of the Trustees that they shall be eligible to serve for a further consecutive term.

- 3.4 No person shall be qualified to be a Local Governor unless they are aged 18 or over at the date of their election or appointment. No current pupil of any of the Academies shall be a Local Governor.
- 3.5 A Local Governor shall cease to hold office if they become incapable by reason of illness or injury of managing or administering their own affairs.
- 3.6 A Local Governor shall cease to hold office if they are absent without the permission of the Local Governors from all their meetings held within a period of six months and the other Local Governors resolve that their office be vacated.
- 3.7 A person shall be disqualified from holding or continuing to hold office as a Local Governor if:

- 3.7.1 they have been declared bankrupt and / or their estate has been seized from their possession for the benefit of their creditors and the declaration or seizure has not been discharged, annulled or reduced; or
- 3.7.2 they are the subject of a bankruptcy restrictions order or an interim order.
- 3.8 A person shall be disqualified from holding or continuing to hold office as a Local Governor at any time when they are subject to a disqualification order or a disqualification undertaking under the Company Directors Disqualification Act 1986 or to an order made under section 429(2)(b) of the Insolvency Act 1986 (failure to pay under county court administration order).
- 3.9 A Local Governor shall cease to hold office if:
- 3.9.1 they would, by virtue of any provision in the Companies Act 2006 or section 178 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision), be disqualified from acting as a trustee; or
- 3.9.2 they are otherwise found to be unsuitable by the Secretary of State under the provisions of the Funding Agreements.
- 3.10 A person shall be disqualified from holding or continuing to hold office as a Local Governor if they have been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commission or the High Court on the grounds of any misconduct or mismanagement in the administration of the charity for which they were responsible or to which they were privy, or which they by their conduct contributed to or facilitated.
- 3.11 A person shall be disqualified from holding or continuing to hold office as a Local Governor where they have, at any time, been convicted of any criminal offence, excluding any that have been spent under the Rehabilitation of Offenders Act 1974 as amended, and excluding any offence for which the maximum sentence is a fine or a lesser sentence except where a person has been convicted of any offence which falls under section 178 of the Charities Act 2011.
- 3.12 After the Academy has opened, a person shall be disqualified from holding or continuing to hold office as a Local Governor if they have not provided to the chairperson of the Trustees, by the date of the Local Governor's appointment or as soon as practicable thereafter, a disclosure and barring service certificate (previously known as a criminal records certificate) at an enhanced disclosure level under section 113B of the Police Act 1997. In the event that the certificate discloses any information which would in the opinion of either the chairperson of the Trustees or the Accounting Officer confirm their unsuitability to work with children that person shall be disqualified. If a dispute arises as to whether a person shall be disqualified, a referral shall be made to the Secretary of State to determine the matter. The determination of the Secretary of State shall be final.
- 3.13 Where, by virtue of these Terms of Reference a person becomes disqualified from holding, or continuing to hold office as a Local Governor; and they are, or are proposed, to become

such a Local Governor, they shall upon becoming so disqualified give written notice of that fact to the Clerk.

3.14 A Local Governor's term of office shall be terminated if:

3.14.1 they resign by serving written notice to the Clerk;

3.14.2 the Trustees terminate their appointment;

3.14.3 they are removed by the persons appointing them (although this does not apply to elected staff or Parent Local Governors); or

3.14.4 in the case of a Staff Local Governor, their employment is terminated.

3.15 Upon receipt of a notice pursuant to paragraph 3.14.1, the Clerk shall promptly notify the Company Secretary of the same.

3.16 The Local Governing Body may continue to act notwithstanding a temporary vacancy in its composition.

#### **4 APPOINTMENT OF CHAIR AND VICE-CHAIR OF LOCAL GOVERNING BODY**

4.1 The Chair of the Local Governing Body shall be appointed by the Local Governing Body and reported to Trustees via the Trustees' Clerk. Trustees have the right to remove the Chair of a Local Governing Body so appointed.

4.2 The term of office of the Chair of the Local Governing Body shall be 1 year. Subject to remaining eligible to be a Chair, a Local Governor may be re-appointed for further terms of office as Chair.

4.3 The Vice-Chair of the Local Governing Body shall be appointed by the Local Governors from amongst their number, for a term of 1 year. Subject to remaining eligible to be a Vice Chair, a Local Governor may be re-appointed for further terms of office as Vice-Chair by the Local Governors.

4.4 If both the Chair and the Vice-Chair are absent from any meeting of the Local Governing Body, those Local Governors present shall appoint one of their number to chair the meeting.

#### **5 RESPONSIBILITIES OF TRUSTEES AND LOCAL GOVERNORS**

##### **5.1 Compliance and Governance**

5.1.1 The Trustees are required to:

- (a) ensure compliance with all statutory regulations and Acts of Parliament governing the operation of the Academy, including health and safety;
- (b) comply with the provisions of the Funding Agreements; and
- (c) determine the corporate planning and strategy for the Academy and the Trust in consultation with the Local Governing Body.

5.1.2 The Local Governors shall:

- (a) ensure that standards of attainment and achievement by the pupils of the Academy are high and are maintained at the highest possible level;
- (b) take a strategic role in the governance of the Academy;
- (c) act as a critical friend to the Academy and provide support to the Headteacher and the staff at the Academy;
- (d) monitor and evaluate the work of the Academy systematically and regularly in relation to:
  - (i) student performance;
  - (ii) self-evaluation;
  - (iii) improvement; and
  - (iv) budgeting;
- (e) maintain the Academy estate in accordance with any guidelines set out by the Trust;
- (f) report to the Trustees both generally and specifically as the Trustees may require from time to time;
- (g) carry forward the Trust's vision, in a way appropriate to the specific qualities and community characteristics of the Academy;
- (h) implement actions required to comply with statutory regulations and the Funding Agreements; and
- (i) implement the policies set by the Trust.

5.2 **Appointments and Training**

5.2.1 The Trustees shall:

- (a) appoint the Headteacher;
- (b) acting through the Trust's HR function:
  - (i) determine salary increases and undertake performance management for the Headteacher (subject to the Headteacher's contract of employment);
  - (ii) approve performance management related salary changes;
  - (iii) determine the pay policy for the Trust;
  - (iv) determine any restructuring of staff at the Academy;

- (v) determine terms and conditions of service for staff (the Trust is the employer of all staff and is responsible for procedures and terms and conditions of service for all employees including the setting of appropriate rules for the conduct of staff, in each case as developed with each Academy. Changes to such policies and procedures will be effected only after consultation with the Local Governing Body, Headteacher and staff groups where appropriate)
- (c) appoint the Chair;
- (d) provide Trustee and Local Governor training and evaluation.

5.2.2 The Local Governors shall:

- (a) comply with the Trust's HR policies, including the process for local performance reviews for members of staff;
- (b) effect any restructuring of staff at the Academy, provided always that advice shall be sought from the Trust's HR function before doing so;
- (c) appoint the Clerk to the Local Governing Body;
- (d) advise the Headteacher in the event that they consider that changes are required to staff terms and conditions (to be clear, Local Governors may not make any amendments to terms and conditions without the Trustees' consent).

### 5.3 **Finances**

5.3.1 The Trustees shall:

- (a) have oversight with regard to the finances of the Trust and the Academy, including, but without limitation, responsibility for compliance with the financial and accounting requirements detailed within the Funding Agreements;
- (b) determine the Trust's annual budget (including determination of the top-slice for each Academy in consultation with the Local Governing Body);
- (c) determine, after consultation with the Local Governing Body, the extent of the services provided to the Academy by the Trust and how the costs for such services should be allocated, apportioned or retained;
- (d) comply with the Academies Financial Handbook including, but without limitation, setting procurement policies for the Trust;
- (e) put in place guidelines for the local maintenance of assets and appropriate registers.

5.3.2 The Local Governors shall:

- (a) provide to the CFO by the stipulated deadline relevant details to enable draft budgets to be considered by the Trustees and to be submitted to the DfE as required by the Funding Agreements and provide such further support in connection with the budgetary process as may be required. Except where prior permission has been obtained from the Trustees, the Academy budget is to be prepared to show break even or better;
- (b) comply with the final budget as notified by the Trust, including monitoring and reviewing expenditure on a regular basis;
- (c) manage the Academy's cash flow and monitor expenditure by the Academy in accordance with policies determined by the Trustees. Under no circumstances has the Local Governing Body the authority to borrow money.
- (d) maintain proper accounting records and the preparation of income and expenditure and balance sheets as required by the CFO;
- (e) assist the Trustees in complying with the provisions of the Funding Agreements where requested from time to time;
- (f) maintain or put in place appropriate arrangements for the maintenance of the Academy estate in accordance with the guidelines established by the Trust;
- (g) seek value for money and being able to demonstrate that value for money has been achieved, including implementation of the Trust's procurement policies;
- (h) notify the Trust of any changes to fixed assets used by the Academy; and
- (i) observe proper levels of delegation and protocols, in conjunction with the CFO and Accounting Officer.

#### **5.4 Policies and Targets**

##### **5.4.1 The Trustees shall:**

- (a) determine the policies for use by the Academy;
- (b) determine the admissions policy and arrangements for the Academy in accordance with admissions law and DfE codes of practice (which is communicated to the Local Governors and implemented locally);
- (c) consider and evaluate performance against KPIs set by the Trust in relation to academics, finances and other matters;
- (d) approve the Academy's development plan (the development plan will be prepared by the Local Governors for approval by the Trustees); and
- (e) determine any additional financial and reporting targets for the Academy.

#### **5.5 General Duties of Local Governors**

- 5.5.1 Each Local Governor shall act in the best interests of the Trust at all times.
- 5.5.2 No Local Governor shall act or omit to act in a way which would be prejudicial to the interests of the Academy or the Trust at any time, including any actions or omissions which might create bad publicity for the Academy or the Trust.
- 5.5.3 The Local Governors must keep confidential all information of a confidential nature obtained by them relating to the Academy and the Trust.
- 5.5.4 When a Local Governor becomes a Local Governor of an Academy within the Trust (following his appointment or his transfer from the Predecessor School), they shall be required to complete and sign a registration form (with details required for the Trust) in which the Local Governor agrees to comply with:
- the Articles;
  - the Funding Agreements;
  - these Terms of Reference;
  - the Local Governors' Handbook; and
  - any terms of reference of sub-committees which may apply to that Local Governor.
- 5.5.5 Each Local Governor shall be required to attend training as referenced in paragraph 5.2.1(d).
- 5.5.6 Each Local Governor shall also be required to take part in regular self-reviews and is accountable for meeting their own training and development needs. It is a Local Governor's responsibility to consider if, and raise any concerns where, they feel that appropriate training and development is not being provided.

## **6 ACCOUNTING OFFICER**

- 6.1 The Accounting Officer has been appointed by the Trustees to undertake the role of Accounting Officer and to have overall responsibility for leading the other Headteachers in creating the future of the Trust, working with the Trust to implement its strategic vision. The Trustees delegate to the Accounting Officer such functions and powers as are required to fulfil the duties outlined in the Accounting Officer's role description as determined by the Trustees from time to time.

## **7 RESPONSIBILITIES OF THE HEADTEACHER**

- 7.1 The Headteacher shall be responsible to the Trustees via the Local Governing Body for the leadership and management of the Academy, including, in particular for:-
- 7.1.1 implementing the agreed policies and procedures laid down by the Local Governing Body;



- 7.1.2 advising the Local Governing Body on strategic direction, forward planning and quality assurance;
- 7.1.3 advising the Local Governing Body and / or the admissions committee of the Academy on the admission of pupils (provided always that admissions appeals shall be considered by a panel established by the Trustees);
- 7.1.4 managing the delegated budget and resources agreed by the Local Governing Body;
- 7.1.5 advising the Local Governing Body on the appointment of the Deputy Headteacher and such other senior posts as the Local Governing Body may determine;
- 7.1.6 the appointment of all other staff and (except to the extent directed otherwise by the Trustees and/or the Local Governing Body), the salary grading, allocation of duties, appraisal and discipline of all staff in accordance with the Trust's human resources policies and procedures and best practice for HR and recruitment;
- 7.1.7 the maintenance of good order and discipline by the pupils including their suspension and/or exclusion within the framework laid down by the Local Governing Body; and
- 7.1.8 all such additional functions as may be assigned under the Headteacher's job description or contract of employment.

## **8 ROLE OF THE CHAIR**

- 8.1 The Chair shall:
  - 8.1.1 meet regularly with the Headteacher;
  - 8.1.2 preside over efficient Local Governing Body meetings by establishing a sound sub-committee structure and effective working procedures; and
  - 8.1.3 be accountable to the Accounting Officer and to the Trustees for the operation of the Academy and shall meet with the Accounting Officer, the Headteacher and the Trustees at such times as may be reasonably required.

## **9 CONFLICTS OF INTEREST**

- 9.1 The income and property of the Academy must be applied solely towards the provision of the Objects as detailed in the Articles. The restrictions and procedures which apply to the Trustees in the Articles with regard to having a Personal Financial Interest shall also apply to the Local Governors.
- 9.2 Any Local Governor who has any duty or personal interest (including but not limited to any Personal Financial Interest) which conflicts or may conflict with his duties as a Local Governor shall disclose that fact to the Local Governors as soon as he becomes aware of it. A Local Governor must absent himself from any discussions of the Local Governors in which it is

possible that a conflict will arise between his duty to act solely in the interests of the Academy and any duty or personal interest (including but not limited to any Personal Financial Interest).

## **10 MEETINGS OF LOCAL GOVERNING BODY**

- 10.1 The Local Governing Body shall meet at least once in every term, and shall hold such other meetings as may be necessary. A quorum must be present, being three or one third of the total number of Local Governors then in office, whichever is the greater.
- 10.2 All meetings shall be convened by the Clerk, who shall send to the Local Governors and to the Headteacher written notice of the meeting and a copy of the agenda at least seven clear days in advance of the meeting.
- 10.3 A special meeting of the Local Governing Body shall be called by the Clerk whenever requested by the Chair or at the request in writing of any three Local Governors or of the Headteacher. Where there are matters demanding urgent consideration, the Chair or, in his absence, the Vice-Chair may, with the approval of the Headteacher, waive the need for seven clear days' notice of the meeting and substitute such notice as he thinks fit.
- 10.4 The convening of a meeting and the proceedings conducted shall not be invalidated by reason of any individual not having received written notice of the meeting or a copy of the agenda.
- 10.5 If the number of Local Governors assembled for a meeting of the Local Governing Body does not constitute a quorum, the meeting shall not be held. If in the course of a meeting of the Local Governing Body the number of Local Governors present ceases to constitute a quorum, the meeting shall be terminated forthwith.
- 10.6 If for lack of a quorum a meeting cannot be held or, as the case may be, cannot continue, the Chair shall, if he thinks fit, determine the time and date at which a further meeting shall be held and shall direct the Clerk to convene the meeting accordingly.
- 10.7 Every question to be decided at a meeting of the Local Governing Body shall be determined by a majority of the votes of the Local Governors present and voting on the question. Every Local Governor shall have one vote. Where there is an equal division of votes the Chair of the meeting shall have a second or casting vote.
- 10.8 A Local Governor may not vote by proxy.
- 10.9 No resolution of the Local Governing Body may be rescinded or varied at a subsequent meeting unless consideration of the rescission or variation is a specific item of business on the agenda for that meeting.
- 10.10 Any Local Governor who is also an employee of the Trust shall withdraw from that part of any meeting of the Local Governing Body at which his remuneration, conditions of service, promotion, conduct, suspension, dismissal or retirement are to be considered.

- 10.11 A resolution in writing or in electronic form, signed (or submitted in electronic form) by all the Local Governors (or all of the members of a committee of the Local Governing Body), shall be valid and effective as if it had been passed at a meeting of the Local Governing Body or (as the case may be) a committee of Local Governing Body duly convened and held. Such a resolution may consist of several documents in the same form, each signed (or submitted in electronic form) by one or more of the Local Governors (or the members of a committee, as the case may be).
- 10.12 Any Local Governor shall be able to participate in meetings of the Local Governors by telephone or video conference provided that he has given reasonable notice to the Clerk and that the Local Governors have access to the appropriate equipment.
- 10.13 Minutes must be prepared of all Local Governing Body meetings and meetings of all sub-committees. Drafts of those minutes must be sent to all attendees and to Accounting Officer no later than 14 days after the date of the meeting. Final minutes, as approved by the Local Governors, must be sent to the Accounting Officer within 7 days of approval.

## **11 DELEGATION OF FUNCTIONS AND COMMITTEES**

- 11.1 The Local Governing Body shall establish the following committees:
- 11.1.1 Resources and Personnel;
  - 11.1.2 Teaching and Learning;
  - 11.1.3 Pupils, Parents and Carers and the Community;
  - 11.1.4 Pay Review, which may be a sub-committee of the Resources and Personnel Committee; and
  - 11.1.5 such other committees as are necessary to carry out its responsibilities (which would include other Trust wide responsibilities including Health and Safety), as determined by the Local Governing Body and/or the Trust,
- (together, “**Committees**”) and the powers of any such Committees, their terms of reference and membership shall be determined by the Trust.
- 11.2 Membership of the Resources and Personnel Committee shall include the Headteacher.
- 11.3 The Committees may include members who are not Local Governors.
- 11.4 Except where it is otherwise constrained within its terms of reference, a Committee may invite attendance by persons who are neither Local Governors nor committee members where such attendance is considered by the members of the Committee to benefit its deliberations.
- 11.5 Copies of the minutes of Committee meetings are to be circulated to all Local Governors and those who are entitled to attend Local Governing Body meetings.

## **12 ACCOUNTS AND AUDIT**

12.1 The Local Governing Body shall:

12.1.1 keep proper accounts and proper records in relation to the accounts; and

12.1.2 prepare in respect of each financial year of the Academy a statement of accounts.

12.2 The statement of accounts shall give a true and fair account of the state of the Academy's affairs at the end of the financial year and of the Academy's income and expenditure during the financial year.

12.3 The accounts (including any statements prepared under this paragraph) shall be audited by persons appointed in respect of each financial year by the Trust.

## **13 RULES AND BYELAWS**

13.1 The Local Governing Body shall have power to make rules and bye-laws in respect of the government and conduct of the Academy as it shall think fit. Such rules and bye-laws shall be subject to the provisions of this document and to approval by the Trustees.

## **14 AMENDMENT OF TERMS OF REFERENCE**

14.1 These terms of reference are drafted and maintained by the Trust. The Trustees may make amendments to these terms of reference from time to time. In the event that amendments are made, the Trust shall notify the Chair of each Local Governing Body, who shall be expected to make the other Local Governors aware of such changes.

14.2 This document shall be subject to review at least at the first meeting of the Trustees after 31 August 2016 and at the first meeting of the Trustees in each academic year thereafter.

## **15 EFFECTIVE DATE**

15.1 These Terms of Reference shall come into effect, in relation to a Local Governing Body, on the establishment of the Local Governing Body.

## **16 INTERPRETATION**

16.1 In this document:-

“Academy” means the Academy which is one of the academies of the Trust;

“Accounting Officer” means the person appointed by the Trustees as an employee to act as the Accounting Officer for the Trust;

“Articles” means the Articles of Association of the Trust;

“CFO”	means the person appointed by the Trustees as an employee to oversee the financial aspects of the Trust;
“Clerk”	means the person appointed to act as clerk to the Local Governing Body;
“Company Secretary”	means the person appointed to act as the company secretary of the Trust or any other person appointed to perform the duties of company secretary to the Trust;
“Conversion Date”	means the date on which the Academy opened, as set out in the Funding Agreements;
“Funding Agreements”	has the meaning given to it in paragraph 2.1;
“Headteacher”	means the member of staff at the Academy who is appointed by the Trust (in accordance with the terms of this document and his or her contract of employment, as may be amended from time to time) to have overall day to day control of and responsibility for the leadership and management of the Academy;
“Local Governors’ Handbook”	means the handbook, once in final form and agreed, prepared by the Trust explaining the role of local governors, in force from time to time;
“Local Governor”	means a member of the Local Governing Body;
“Local Governing Body”	means the local governing body for the Academy, being a committee of the main Trust Board, constituted as provided by paragraph 3;
“Parent Local Governor”	means a Local Governor elected or appointed in accordance with Articles 54 – 56;
“Personal Financial Interest”	means any interest in the employment or remuneration of, or the provision of any other benefit to, a Local Governor as further detailed within Article 6 of the Articles;
“Predecessor School”	means the maintained school which converted under the terms of the Academies Act 2010 to form the Academy;

“Scheme of Delegation”	means the scheme of delegation established by the Trust in respect of the Academy (as amended from time to time by the Trustees), setting out the level of decision-making permitted for the overall governance and management of the Trust and the Academy;
“Staff Local Governor”	means a member elected to the Local Governing Body by members of staff at the Academy pursuant to paragraph 3.2;
“this document”	means these Terms of Reference;
“the Trust”	means Compass Academy Trust, company number 09323096 (registered in England and Wales); and
“the Trustees”	means those persons appointed as directors (under company law) and trustees (under charity law) of the Trust.

16.2 Unless the context requires otherwise, a reference to:-

- 16.2.1 a numbered paragraph is a reference to the paragraph so numbered in this document (or the sub-paragraph, as the case may be), and
- 16.2.2 words importing one gender shall include any other gender, the singular number shall include the plural and vice versa and the headings are included for convenience only and shall not affect the construction of this document.