



**Lincoln University Technical College**

**Scheme of Governance, Management and Delegation**

---

Updated November 2014

1	INTRODUCTION .....	3
2	THE UTC TRUST .....	3
3	MEMBERS.....	3
4	DIRECTORS.....	4
5	THE CLERK TO THE DIRECTORS .....	8
6	THE COMPANY SECRETARY .....	9
7	THE INTERNAL AUDITOR .....	<b>Error! Bookmark not defined.</b>
8	COMMITTEES.....	10
9	THE PRINCIPAL FINANCE OFFICER.....	10
10	FINANCIAL REGULATIONS MANUAL ("THE FINANCE MANUAL") .....	11
11	BUDGET APPROVAL.....	11
12	THE PRINCIPAL OF THE UTC.....	12
13	THE PRINCIPAL AS ACCOUNTING OFFICER.....	12
14	STAFF APPOINTMENTS AND PERFORMANCE MANAGEMENT .....	13
15	INTERPRETATION.....	13
16	APPROVED VERSION.....	13
17	DATE OF NEXT REVIEW.....	14
APPENDIX 1	CONSENT TO BE A MEMBER.....	15
APPENDIX 2	DIRECTOR DECLARATION.....	16
APPENDIX 3	RESERVED MATTERS .....	18
APPENDIX 4	CODE OF CONDUCT.....	19
APPENDIX 5	COMMITTEE'S TERMS OF REFERENCE .....	22
APPENDIX 6	STANDING ORDERS .....	24

## **1 INTRODUCTION**

- 1.1 This Scheme of Governance, Management and Delegation (the "**Scheme**") has been made by the directors (the "**Directors**") of the Lincoln UTC (the "**UTC Trust**") in exercise of the powers conferred on them by the Articles of Association of the UTC Trust (the "**Articles**").
- 1.2 The purpose of the Scheme is to set out a framework under which the UTC Trust is governed and managed, and in particular:
  - 1.2.1 how the Directors work together effectively;
  - 1.2.2 how the Directors ensure compliance with the various legal and regulatory requirements placed on them.
- 1.3 This Scheme shall be reviewed by the Directors annually and in the context of such review, the Directors shall have regard to any new legislation or guidance affecting the provisions of these documents.
- 1.4 This Scheme may be altered, added to or repealed by a majority resolution of the Directors or by the Members of the UTC Trust in a general meeting.
- 1.5 A copy of this Scheme shall be given to the Members of the UTC Trust, every Director, the Principal, the Principal Finance Officer, the Company Secretary and the Responsible Officer now and in the future on appointment.

## **2 THE UTC TRUST**

- 2.1 The UTC Trust is responsible for the Lincoln UTC
- 2.2 The UTC Trust has entered into a funding agreement made under section 1 of the Academies Act 2010 with the Secretary of State for Education in relation to the funding of Academies ("**the Funding Agreement**").
- 2.3 The Funding Agreement places a number of requirements on the UTC Trust including the requirement to comply with the DfE's Academies Financial Handbook ("**the Handbook**").
- 2.4 There are a number of roles involved in the running of an UTC Trust and these are as follows:
  - 2.4.1 the Members;
  - 2.4.2 the Directors;
  - 2.4.3 the Principal of the UTC who has responsibility for the day-to-day running of the UTC.

## **3 MEMBERS**

### **3.1 The role of the Members**

- 3.1.1 Members are members of the UTC Trust for the purposes of the Companies Acts.
- 3.1.2 In simple terms the Members "own" the UTC Trust. They have a number of statutory rights including the right to remove Directors (and in some cases to appoint), the right to amend the Articles (subject to DfE approval) and the right to receive the annual accounts.

3.1.3 The Members do not have any specific duties imposed on them. The Members are required to provide a 'guarantee' such that if the UTC Trust were to be wound up and the assets did not meet all of its liabilities, they would be asked to contribute £10.

3.1.4 The Members will meet at least once a year at the AGM, which is a requirement under the Articles of Association.

## 3.2 **The appointment of the Members**

3.2.1 Members are appointed in accordance with Articles 12a to 18 of the Articles of Association.

3.2.2 On appointment, all Members shall be required to complete a 'Consent to be a Member' form (in the form set out in Appendix 1) and the Secretary shall update the register of Members as appropriate. Companies House does not need to be notified.

## 4 **DIRECTORS**

### 4.1 **Capacity of Directors**

Each Governor is:

4.1.1 a Director of the UTC Trust: the directors are responsible for the governance and supervision of the UTC Trust, its committees and Principal.

4.1.2 a Charity Trustee with responsibility for protection of the assets of the UTC Trust.

4.2 In simple terms, the Directors "manage" the affairs of the UTC Trust and are responsible for the day to day running of it.

### 4.3 **The appointment of Directors**

4.3.1 The Directors shall be appointed in accordance with Articles 50 to 64 of the Articles of Association.

4.3.2 On appointment, all Directors shall be required to:

- (a) complete a Director Declaration (in the form set out in Appendix 2);
- (b) complete a form for submission by the Secretary to Companies House.

4.3.3 The Secretary shall update the register of Directors in the statutory books.

### 4.4 **Constitution of the Board of Directors**

4.4.1 The Articles require there to be a minimum of three Directors.

4.4.2 The constitution of the Board of Directors is set out in the Articles. The Board is constituted as follows:

Up to 10 Directors appointed by the Sponsors, who shall always constitute a majority of the Directors ("Sponsor Directors");

- (a) Any number of staff

- (b) at least two "Parent Directors";
- (c) any Directors appointed by the Secretary of State in the circumstances set out in the Articles;
- (d) the Principal;
- (e) up to 1 Local Authority Governor
- (f) up to three Co-opted Directors (appointed by Directors who are not themselves Co-opted Directors).

4.4.3 In accordance with the Articles, the Directors shall elect a Chairman and Vice Chairman from among their number each academic year.

4.4.4 Directors will be met by the Chair and Vice Chair of Directors and will undertake a Skills Audit to identify strengths and area for further development in their role as Director. Induction will be led by the Chair and Clerk to Directors to introduce them to the role of the Board of Directors and their role on that Board.

#### 4.5 **Meetings of Directors**

4.5.1 The Directors shall hold at least three meetings in every school year. Meetings will normally be held at Lincoln UTC and organised periodically throughout the academic year.

4.5.2 All meetings of the Directors shall be convened and conducted as provided by the Articles of the UTC Trust.

#### 4.6 **Accountability of Directors**

The Directors are chiefly accountable to:

4.6.1 the beneficiaries of the UTC Trust (students at the UTC and their parents) and also to the local community for the quality of education and pastoral care at the UTC and for matters of health and safety and for safeguarding and promoting the welfare of the students;

4.6.2 the Department for Education (**DfE**), the Education Funding Agency and specifically the Secretary of State under the terms of the Funding Agreement;

4.6.3 the Secretary of State (in his role as Principal Regulator in respect of charity matters) to operate the UTC Trust for the public benefit and for the prudent management of the UTC Trust and its financial efficiency and for compliance with legislation including charities legislation;

4.6.4 the employees of the UTC Trust for their working environment, and for compliance with the contract of employment and employment law requirements and matters of health and safety; and

4.6.5 other regulatory authorities for compliance with regulated responsibilities to which the UTC Trust and the Academies are subject.

#### 4.7 **Powers, functions and responsibilities of Directors**

- 4.7.1 The business of the UTC Trust shall be managed by the Directors, fulfilling a largely strategic role, who may exercise all of the powers of the company, as set out in the Articles of Association.
- 4.7.2 As directors of the company and charity trustees, the Directors have a number of duties as responsibilities towards the management of the UTC Trust and its finances. In summary, the Directors are responsible for:
- (a) the carrying on of the UTC Trust in accordance with the Objects of the UTC Trust as set out in the Articles and safeguarding the assets of the UTC Trust;
  - (b) the running of the UTC and for directing the education, pastoral care, financial and other policies of the UTC in accordance with the Articles of Association and the Funding Agreements (including the Handbook);
  - (c) ensuring sound management and administration of the UTC Trust, and ensuring that managers are equipped with the relevant skills and guidance;
  - (d) financial controls and the financial management of the UTC Trust in accordance with the provisions of the Handbook, which sets out in detail provisions for the financial management of each UTC including guidance on financial systems and controls and accounting and reporting requirements;
  - (e) setting standards of conduct and values and monitoring performance and the achievement of objectives, and ensuring that plans for improvement are acted upon;
  - (f) risk management, that is identifying, quantifying and devising systems to minimise the major risks affecting the UTC Trust; and
  - (g) ensuring that the UTC Trust and the UTC are conducted in compliance with the general law.
- 4.7.3 The Directors are required to:
- (a) act together and in person and not delegate responsibility of the UTC Trust to others;
  - (b) act strictly in accordance with the UTC Trust's Articles of Association;
  - (c) act in the UTC Trust's interests only and without regard to their own private interests;
  - (d) manage the UTC Trust's affairs prudently;
  - (e) not to take personal benefit from the UTC Trust unless expressly authorised by the Articles of Association or the Charity Commission; and
  - (f) take proper professional advice on matters on which they are not themselves competent.
- 4.7.4 The Directors should also hold the Principal accountable. They should offer support, constructive advice, be a sounding board for ideas, a second opinion on proposals and help where needed, but will also challenge, ask questions,

seek information and improve proposals where appropriate and at all times act in the best interests of the UTC Trust.

4.7.5 The duties and responsibilities of the Directors are explained in further detail in the separate document entitled "Guidance on Duties and Responsibilities of Charity Trustees".

4.7.6 The Directors shall have regard to the Treasury publication "Guidance on Codes of Practice for Board Members of Public Bodies" including The Seven Principles of Public Life" (set out in Appendix 4) which shall be circulated to all Directors.

#### **4.8 Delegation of Powers of Directors**

4.8.1 The Directors may delegate such of their powers or functions that they can legally delegate and which they consider it would be desirable to delegate.

4.8.2 The Directors must not delegate any of their powers listed in Appendix 3 ("the Reserved Matters").

4.8.3 Delegation can be made to:

- (a) a committees of the Board;
- (b) the Principal.

4.8.4 However, every act of delegation shall be a delegation of powers and duties, and not a delegation or shedding of responsibilities.

#### **4.9 Risk Management**

4.9.1 SORP 2005 (the statement of accounting practice which charities must comply with) and the Charities (Accounts and Reports) Regulations 2008 require the Directors to make a statement in their annual report which confirms the major risks to which the UTC Trust is exposed (as identified by the Directors) have been reviewed and that systems have been established to mitigate those risks.

4.9.2 The Directors are therefore responsible for:

- (a) identifying the major risks that apply to the UTC Trust, including:
  - (i) operational risks (employment issues, health & safety, fraud, service quality and development etc.);
  - (ii) financial risks (accuracy of financial information, cash flow, reserves, over-reliance on funding sources etc.);
  - (iii) external risks (changes in government policy, economic factors, demographic changes, adverse publicity etc.); and
  - (iv) regulatory risks (compliance with legislation, changes in policies of the regulators etc.);
- (b) making decisions (based where appropriate on advice from the Principal, the Finance Director and professional advisors) as to how to respond to those risks; and

- (c) making appropriate statements regarding the management of risks in the annual report.

4.9.3 A Committee fulfilling the role of a Finance and Audit Committee shall ensure:

- (a) a risk management policy;
- (b) a contingency and business continuity plan;
- (c) a fraud policy;
- (d) a whistle-blowing policy;

are prepared for approval by the Directors.

4.9.4 The Committee shall ensure that a risk register is prepared for approval by the Directors along with a procedure by which the risk register shall be subject to regular review and made available to all staff. The risk register shall have named individuals assigned to manage each area.

#### **4.10 The management of conflicts of interest**

4.10.1 All Directors are required to complete a declaration of business interests form on appointment and on an annual basis (including a nil return). Such declarations shall include:

- (a) all business and financial interests such as directorships, shareholdings, and other appointments of influence within a business or other organisation; and
- (b) interests of related persons such as parents, spouses, children, personal and business partners where influence could be exerted by that person over a Director or member of staff.

4.10.2 The Company Secretary shall be responsible for maintaining a register of business interests including nil returns.

4.10.3 Each meeting of the Directors shall include a standing agenda item for those attending to declare any changes to their declarations of interest.

4.10.4 No Director shall receive any payment for their work as a Director, other than payment of out reasonable out of pocket travel, accommodation and other expenses

### **5 THE CLERK TO THE DIRECTORS**

5.1 The Directors shall appoint a Clerk to the Directors, for such remuneration as they may determine, who shall report to the Chair of Directors and the Board as a whole.

5.2 The Clerk works closely both with the Chair of Directors, Vice-Chair and Chair of any Committees. The Clerk is responsible for drawing up the agenda for meetings of the Board of Directors and its committees, after consultation with the Chair and the Principal and for ensuring that the Board of Directors meets its legal obligations in relation to the corporate administration of the Charity.

5.3 The Clerk shall ensure that, in accordance with the Funding Agreement:

5.3.1 papers relating to the UTC prepared for meetings of the Directors and of the Members of the UTC Trust are sent to the Secretary of State in advance; and

5.3.2 that the following documents are made available for inspection by any interested party at the UTC and, as soon as is reasonably practicable, sent to the Secretary of State:

- (a) the agenda for every meeting of the Directors
- (b) the draft minutes of every such meeting, if they have been approved by the person acting as chair of that meeting
- (c) the signed minutes of every such meeting; and
- (d) any report, document or other paper considered at such meeting.

## **6 THE COMPANY SECRETARY**

6.1 The Company Secretary is appointed and removed by the Directors at such time and for such remuneration as the Directors may determine.

6.2 The Company Secretary is the chief administrator with respect to the UTC Trust's administration affairs.

## **7 INTERNAL AUDIT**

The Directors shall appoint an appropriately qualified and experienced individual or firm with the necessary financial interest and skills to be able to perform the role competently to the post of Internal Auditors (IA).

7.1.1 The IA post is intended to provide an independent oversight of the UTC Trust's financial affairs. The main duties of the IA are to provide the Directors with ongoing independent assurance that:

- (a) the financial responsibilities of the Directors are being properly discharged;
- (b) resources are being managed in an efficient, economical and effective manner;
- (c) sound systems of internal financial control are being maintained;
- (d) financial considerations are fully taken into account in reaching decisions; and
- (e) appropriate risk management procedures are in place.

7.1.2 The Directors shall approve a system of checks to be carried out each year by the IA, on the recommendation of the Finance and Audit Committee in accordance with the Handbook. The IA shall provide the Directors/Committee fulfilling the role of a Finance and Audit Committee with a written report after each checking session.

7.1.3 The system of checks shall include:

- (a) review of monthly bank reconciliations;
- (b) review of monthly payroll;
- (c) check of a sample of orders to delivery notes and invoices;
- (d) check of a sample of payments to invoices, orders and delivery notes;

- (e) review of a sample of expense claims;
- (f) review of returns to the Education Funding Agency;
- (g) spot checks of petty cash;
- (h) review of all major contract and ensuring formal tendering procedures exist and are being adhered to.

7.1.4 The guidance set out in the Handbook shall be issued to the IA.

7.1.5 The Handbook contains further details in relation to the appointment, role and responsibilities of the IA.

## **8 COMMITTEES**

8.1 The Directors may appoint committees with functions related to Trust. The constitution, membership and proceedings of any committee shall be determined by the Directors under terms of reference.

8.2 Each committee shall be chaired by a Director.

8.3 Membership of a committee may include persons who are not Directors provided that a majority of the members of the committee are Directors.

8.4 No vote on any matter shall be taken at a meeting of a committee of the Directors unless the meeting is quorate.

8.5 The Directors shall ensure that they receive adequate feedback on the work of any committees.

8.6 Committees will act in an advisory capacity to the Directors, except where powers have been specifically delegated to them by the Directors. The specific committees to be appointed are as follows:

### **8.6.1 Finance and Audit Committee**

8.7 The terms of reference of any committee of the Board of Directors must be approved by the full Board of Directors and reviewed at least once in every twelve months. They provide the sole, agreed framework within which each committee operates.

## **9 THE PRINCIPAL FINANCE OFFICER**

9.1 The Directors shall appoint a Principal Finance Officer (PFO) In accordance with the Handbook, the PFO is responsible for, along with a wider remit, the following responsibilities:

9.1.1 the day to day management of financial issues;

9.1.2 the management of the UTC Trust's financial position;

9.1.3 the maintenance of effective systems of internal control;

9.1.4 ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the UTC Trust.

9.2 The PFO is responsible for guiding the Directors on financial, audit and charity accounting matters, as well as dealing with the day-to-day management of the financial position of the Academies and the maintenance of effective controls.

- 9.3 The PFO shall report to the Directors and the Finance/Audit Committee at least termly.
- 9.4 The DfE strongly recommends that the PFO is a CCAB qualified accountant, or equivalent.
- 9.5 The Handbook contains further details in relation to the appointment, role and responsibilities of the PFO

## **10 FINANCIAL REGULATIONS MANUAL ("THE FINANCE MANUAL")**

- 10.1 The Finance Manual, which shall be prepared by the PFO, shall be adopted by the Directors normally on the recommendation of the Finance and Audit Committee.
- 10.2 The purpose of the Finance Manual is to ensure that the UTC Trust maintains and develops systems of financial control which conform with the requirements both of propriety and of good financial management.
- 10.3 The Finance Manual shall include:
  - 10.3.1 'Finance Authorisation Levels' which shall confirm the delegation of authority to key individuals up to a specified value;
  - 10.3.2 appropriate procedures to monitor cash requirements to ensure that the UTC Trust will not become overdrawn;
  - 10.3.3 a competitive tendering policy for larger purchases in accordance with the Handbook; and
  - 10.3.4 a capitalisation limit for assets.
- 10.4 The PFO shall be responsible for preparing a policy for the disposal of assets for approval by the Directors with a view to ensuring the best possible value is obtained from any disposal.

## **11 BUDGET APPROVAL**

- 11.1 The Directors shall be presented with a balanced budget for the year to 31 August for submission to the Education Funding Agency by 30 June or within six weeks of receipt of the final funding letter.
- 11.2 The PFO shall be responsible for:
  - 11.2.1 establishing a written procedure and timetable, for setting a budget in advance of each academic year'
  - 11.2.2 setting the annual budget (including the assumptions on which it is based) for approval by the Directors and for monitoring progress against it during the year;
  - 11.2.3 ensuring that all significant in year amendments to budgets are properly notified to the Directors for approval. The Finance Committee shall determine the appropriate thresholds and procedures for this;
  - 11.2.4 reporting to the Directors on the accuracy of the assumptions which have been used; and
  - 11.2.5 reporting to the Directors on the key financial performance indicators included in the budget.

- 11.3 The Directors shall be responsible for approving the final audited accounts and the UTC Trust's accounting policies, as set out therein.
- 11.4 The Directors shall ensure that they put in place procedures to review their own effectiveness and skills available in overseeing the UTC Trust's financial performance, and the soundness of its internal control.

## **12 THE PRINCIPAL OF THE UTC**

- 12.1 The Directors shall appoint the Principal of the UTC.
- 12.2 The Principal is responsible to The Lincoln UTC UTC Trust for:
  - 12.2.1 the internal organisation, management and control of the UTC,
  - 12.2.2 the implementation of all policies approved by the Directors that relate to the UTC; and
  - 12.2.3 for the direction of the teaching and implementation of the curriculum at the UTC.
- 12.3 The Directors may delegate such additional powers and functions as they consider is required by the Principal to enable them to carry out the above responsibilities.

## **13 THE PRINCIPAL AS ACCOUNTING OFFICER**

- 13.1 The Principal of the UTC shall have the role of "Accounting Officer" in respect of their UTC.
- 13.2 The Accounting Officer is personally responsible to the Directors for ensuring:
  - 13.2.1 regularity and propriety i.e. dealing with money in accordance with applicable legislation, authority and rules and with fairness and integrity (including avoidance of personal gain);
  - 13.2.2 prudent and economical administration, which is concerned with securing value for money;
  - 13.2.3 avoidance of waste and extravagance;
  - 13.2.4 efficient and effective use of available resources; and
  - 13.2.5 the day to day organisation, staffing and management of the UTC.
- 13.3 Included in the responsibilities of the Accounting Officer is a duty to take appropriate action if the Board of Directors or the Chairman is contemplating a course of action which the Accounting Officer considers would infringe the requirements of propriety or regularity (including the provisions of the Funding Agreement, the Academies' Development Plans or other documents setting out the financial duties of the Directors or of any other rules governing the conduct of the Directors), or would not represent prudent or economic administration, or the efficient or effective discharge of the Directors' functions. The Handbook describes what action should be taken in these circumstances.
- 13.4 The Principal as Accounting Officer may delegate or appoint others, such as the PFO, to assist in carrying out these responsibilities.

## **14 STAFF APPOINTMENTS AND PERFORMANCE MANAGEMENT**

- 14.1 The Principal shall be appointed by the Directors.
- 14.2 The Senior Leadership Team at each UTC shall be appointed by the Principal following consultation with the Directors.
- 14.3 The teaching staff at each UTC shall be appointed by the Principal
- 14.4 The non-teaching staff at the UTC shall be appointed by the Principal.
- 14.5 The performance management of the Principal shall be carried out by the Trust in consultation with the Chairman or the Vice-Chairman. The Chair shall then make recommendations to the Directors for approval.
- 14.6 The performance management of all other employees will be carried out by the Principal with the support of the Senior Leadership Team
- 14.7 The UTC Trust is responsible for establishing a written performance management policy to govern implementation of teacher and support staff performance management following consultation with staff; Such consultation may be carried out by the Principal on behalf of the UTC Trust.
- 14.8 The UTC Trust must review the performance management policy each year and ensure each year that all staff are consulted.
- 14.9 The UTC Trust must make a copy of the policy available at the UTC, any of the staff, anyone inspecting the UTC's performance management system or to an authorised external adviser.

## **15 INTERPRETATION**

- 15.1 Words and expressions defined at Article 1 of the Articles of the UTC Trust shall have the same meaning in this Scheme unless the context otherwise requires.
- 15.2 No provision of this Scheme may be inconsistent with or shall repeal anything contained in the Memorandum or Articles of Association of the UTC Trust.
- 15.3 The Memorandum and Articles of Association of the UTC Trust and any lawful amendment of them shall take precedence in the event of an inconsistency with this Scheme.
- 15.4 Any reference to a statute includes an amendment or re-enactment of that statute or regulations made under it.
- 15.5 Words in the masculine include the feminine genders and vice versa; words in the singular include the plural and vice versa; headings are for ease of reading and do not form part of the Scheme.

## **16 APPROVED VERSION**

- 16.1 The first Scheme of Governance, Management and Delegation was approved and adopted by a resolution of the Directors passed at a meeting held on 14 May 2014. This second version of the Scheme of Governance, Management and Delegation was approved and adopted by a resolution of the Directors passed at a meeting held on 9<sup>th</sup> December 2014.

**17 DATE OF NEXT REVIEW**

17.1 This Scheme shall be reviewed by the Directors on an annual basis.

**APPENDIX 1 CONSENT TO BE A MEMBER**

Lincoln UTC (the **Company**)

I hereby consent to being a Member of the Company.

As a Member of the Company I hereby undertake to contribute to:

- the assets of the Company in the event of its being wound up whilst I am a Member, or within one year after I cease to be a Member
- payment of the debts and liabilities of the Company contracted before I cease to be a Member and of the costs, charges and expenses of winding up; and
- the adjustment of the rights of the contributories among themselves, such amount as may be required provided that such amount does not exceed £10.

Signed .....

Full name .....

Address .....  
.....  
.....  
.....  
.....

Date .....

Please sign and retain the additional copy of this document with your records.

Lincoln UTC a company limited by guarantee

**Company registration number:** 07898536

**Registered office:** Lincoln College, Monks Road, Lincoln LN1 5HQ.

## APPENDIX 2 DIRECTOR DECLARATION

Lincoln UTC (the **Company**)

I confirm that I am willing to act as a director of the Company (a **Governor**). I further confirm that I am not disqualified from so acting by virtue of any provisions of the Articles of Association of the Company, including but not limited to the requirement that I am not disqualified from acting as a charity trustee or director by virtue of section 178 of the Charities Act 2011 (extract included below).

Signed .....

Full name .....

Address .....

.....

.....

.....

.....

Date .....

Please sign and retain the additional copy of this document with your records.

Lincoln UTC a company limited by guarantee

**Company registration number:** 7898536

**Registered office:** Lincoln College, Monks Road, Lincoln LN1 5HQ.

## **Extract from section 178 of the Charities Act 2011**

### **178 Persons disqualified from being charity trustees or trustees of a charity**

(1) A person (“P”) is disqualified from being a charity trustee or trustee for a charity in the following cases—

#### *Case A*

P has been convicted of any offence involving dishonesty or deception.

#### *Case B*

P has been adjudged bankrupt or sequestration of P's estate has been awarded and (in either case)—

- (a) P has not been discharged, or
- (b) P is the subject of a bankruptcy restrictions order or an interim order.

#### *Case C*

P has made a composition or arrangement with, or granted a trust deed for, creditors and has not been discharged in respect of it.

#### *Case D*

P has been removed from the office of charity trustee or trustee for a charity by an order made—

- (a) by the Commission under section 79(2)(a) or by the Commission or the Commissioners under a relevant earlier enactment (as defined by section 179(5)), or
- (b) by the High Court, on the ground of any misconduct or mismanagement in the administration of the charity for which P was responsible or to which P was privy, or which P's conduct contributed to or facilitated.

#### *Case E*

P has been removed, under section 34(5)(e) of the Charities and Trustee Investment (Scotland) Act 2005 (asp 10) (powers of the Court of Session) or the relevant earlier legislation (as defined by section 179(6)), from being concerned in the management or control of any body.

#### *Case F*

P is subject to—

- (a) a disqualification order or disqualification undertaking under the Company Directors Disqualification Act 1986 or the Company Directors Disqualification (Northern Ireland) Order 2002 (S.I. 2002/ 3150 (N.I.4)), or
- (b) an order made under section 429(2) of the Insolvency Act 1986 (disabilities on revocation of county court administration order).

(2) Subsection (1) is subject to sections 179 to 181.

### **APPENDIX 3 RESERVED MATTERS**

The Reserved Matters are:

- 1 to change the name of the UTC or the UTC Trust;
- 2 to change the Objects (which would require Charity Commission and Secretary of State consent in any event);
- 3 to determine the educational character, mission or ethos of the UTC;
- 4 to change the structure of the Board of Directors or the constitution and terms of reference of any committee of the Board of Directors;
- 5 to alter or amend the Articles of Association or this Scheme;
- 6 to pass a resolution to wind up the UTC or the UTC Trust;
- 7 to establish a trading company;
- 8 to sell, purchase, mortgage or charge any land in which the UTC Trust has an interest;
- 9 to approve the annual estimates of income and expenditure (budgets) and major projects;
- 10 to appoint auditors and investment advisers;
- 11 to sign off the annual accounts;
- 12 to appoint or dismiss, the Principal, the Company Secretary or the Clerk to the Directors;
- 13 to settle the division of executive responsibilities between the Directors on the one hand and the Principal on the other hand and to settle the division of executive responsibilities between those individuals;
- 14 to do any other act which the Funding Agreement expressly reserves to the Board of Directors or to another body (including for the avoidance of doubt, terminating the Funding Agreement or any part thereof);
- 15 to do any other act which the Articles of Association expressly reserve to the Board of Directors or to another body; or
- 16 to do any other act which the Board of Directors determine to be a Reserved Matter from time to time.

## **APPENDIX 4 CODE OF CONDUCT**

This Code of Conduct sets out the expectations on and commitment required from Directors in order for the Board of Directors to properly carry out its work within the UTC and the community.

### **The purpose of the Board of Directors**

The Board of Directors is the UTC's accountable body. It is responsible for the conduct of the UTC and for promoting high standards. The Board of Directors aims to ensure that children are attending an effective UTC which provides them with a good education and supports their well-being. Over the past decade the responsibilities of governing bodies have grown; and the 'Every Child Matters' agenda has meant that Schools are now accountable for children's health and well-being in the community and for a wide range of extended services provision out of School hours.

### **The role of a governor**

In law the Board of Directors is a corporate body, which means:

- no governor can act on her/his own without proper authority from the full Board of Directors;
- all Directors carry equal responsibility for decisions made, and
- the overriding concern of all Directors has to be the welfare of the UTC as a whole.

### **General**

- We understand the purpose of the Board of Directors and the role of the Principal as set out above
- We are aware of and accept the Nolan seven principles of public life: see appendix
- We accept that we have no legal authority to act individually, except when the Board of Directors has given us delegated authority to do so, and therefore we will only speak on behalf of the Board of Directors when we have been specifically authorised to do so.
- We have a duty to act fairly and without prejudice, and in so far as we have responsibility for staff, we will fulfil all that is expected of a good employer.
- We will encourage open government and will act appropriately.
- We accept collective responsibility for all decisions made by the Board of Directors or its delegated agents. This means that we will not speak against majority decisions outside the Board of Directors meeting.
- We will consider carefully how our decisions may affect the community and other Schools and Academies.
- We will always be mindful of our responsibility to maintain and develop the ethos and reputation of our UTC. Our actions within the UTC and the local community will reflect this.
- In making or responding to criticism or complaints affecting the UTC we will follow the procedures established by the Board of Directors.

### **Commitment**

- We acknowledge that accepting office as a governor involves the commitment of significant amounts of time and energy.
- We will each involve ourselves actively in the work of the Board of Directors, and accept our fair share of responsibilities, including service on committees or working groups.
- We will make full efforts to attend all meetings and where we cannot attend explain in advance in full why we are unable to.

- We will get to know the UTC well and respond to opportunities to involve ourselves in UTC activities.
- Our visits to the UTC will be arranged in advance with the staff and undertaken within the framework established by the Board of Directors.
- We will consider seriously our individual and collective needs for training and development, and will undertake relevant training
- We are committed to actively supporting and challenging the Principal.

### **Relationships**

- We will strive to work as a team in which constructive working relationships are actively promoted
- We will express views openly, courteously and respectfully; the governor chairing a meeting is responsible for ensuring appropriate conduct at all times, and the other Directors are responsible for supporting the chair in that role.
- We are prepared to answer queries from other Directors in relation to delegated functions and take into account any concerns expressed, and we will acknowledge the time, effort and skills that have been committed to the delegated function by those involved.
- We will seek to develop effective working relationships with the Principal, staff and parents, and other relevant agencies and the community.

### **Confidentiality**

- We will observe complete confidentiality when matters are deemed confidential or where they concern specific members of staff or pupils, both inside or outside UTC.
- We will exercise the greatest prudence at all times when discussions regarding UTC business arise outside a Board of Directors meeting.
- We will not reveal the details of any Board of Directors vote.

### **Conflicts of interest**

- We will record any pecuniary interest that we have in connection with the Board of Director's business in the Register of Business Interests.
- We will declare any personal or pecuniary interest in a matter under discussion at a meeting and offer to leave the meeting for the appropriate length of time.

### **The Seven Principles of Public Life**

#### **Selflessness**

Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other 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 seek to influence them in the performance of their official duties.

#### **Objectivity**

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

**Accountability**

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

**Openness**

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

**Honesty**

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

**Leadership**

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

## **APPENDIX 5 COMMITTEE'S TERMS OF REFERENCE**

### **Finance and Audit Committee**

All Board of Directors rules and regulations apply as within the Articles of Association.

#### **Purpose**

1. To assist the decision making of the Board of Directors, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Directors responsibility to ensure sound management of the UTC's finances and resources, including proper planning, monitoring and probity. To make appropriate comments and recommendations on such matters to the Board of Directors on a regular basis.
2. To ensure that robust internal control exists within the UTC by providing the primary interface between the Board of Directors and the UTC's external auditors and internal auditors.
3. The Committee will work closely with the UTC's Finance Services Provider on the preparation and finalisation of the UTC's Annual Report and Financial Statements and will make recommendations to the Board of Directors for the acceptance, or otherwise, of such draft Financial Statements.

#### **Membership**

The membership of this committee shall consist of not less than 3 Directors. Representation on the committee should reflect the representation on the Board of Directors as far as it is possible. Other members of the Board of Directors may attend meetings of the committee as non-voting members together with the Principal and Principal Finance Officer.

#### **Disqualification**

Subject to the discretion of the Chair, any relevant person employed to work at the UTC other than the Principal, is disqualified from being present at the meeting when the subject for consideration is the pay or performance review of any person employed to work in the UTC.

#### **Quorum**

Quorum shall be 2 members.

#### **Meetings**

The Committee shall hold at least three meetings per year, or more frequently as may from time to time be agreed. The members will be given 14 days notice of a meeting where practicable.

#### **Chairmanship**

The Chair shall be elected annually at the first committee meeting of the new academic year. The Chair of the committee must not be employed by the UTC. No governor should serve more than 4 consecutive years as Chair of the committee, unless otherwise agreed by the Full Board of Directors.

## Standing Orders

- The terms of reference outlining the committee's responsibilities and the items for which they have delegated authority to make decisions on behalf of the Board of Directors will be developed by the committee but approved by the full Board of Directors
- These terms of reference and standing orders will be reviewed annually at the first meeting of the academic year
- No alteration or addition to the terms of reference shall be made except by the Full Board of Directors
- The agenda for any meeting shall be distributed to the members at least 7 days prior to the meeting
- All meetings will be minuted and circulated to the Full Board of Directors
- Where there is an equality of votes on an issue relating to the delegated responsibilities of the committee, the matter shall be referred to the Full Board of Directors.

## Terms of Reference

Subject to the requirements of the current legislation, the committee is authorised:

- To consider the UTC's indicative funding, notified annually by the appropriate funding body, and to assess its implications for the UTC, in consultation with the Principal, in advance of the financial year, drawing any matters of significance or concern to the attention of the Board of Directors.
- To consider and recommend to the full Board of Directors acceptance/non-acceptance of the UTC's budget.
- To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances.
- To receive reports from the PFO on the financial and monitoring responsibilities of the Committee as set out in the Academies Handbook
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the UTC, and with the financial regulations, drawing any matters of concern to the attention of the Board of Directors.
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, and, where appropriate to make recommendations for improvement.
- To prepare the financial statements for filing in accordance with Companies Act.
- To ensure that the UTC had adequate insurance provision and policies in place in respect of fraud and theft.
- To receive reports and take necessary action in respect of the Trust's responsibility in relation to outsourced support services, including Human Resources, Estate & Facilities, ICT and marketing.
- To ensure the UTC has a sound internal control framework which addresses processes set out in 2.3 Internal Control contained in the Academies Handbook.
- To recommend to the full Board of Directors the appointment or reappointment of the auditors of the UTC and Internal Auditors.
- To agree the annual plan for the Audit Regime.
- To receive auditors' reports and to recommend to the full Board of Directors action as appropriate in response to audit findings.
- To receive Internal Audit reports and to recommend to the full Board of Directors action as appropriate in response to findings.
- To receive at every meeting a report on Health & Safety.
- To agree on an annual basis the Risk Management Policy and Risk Register, with a review of the Risk Register at every meeting.

## **APPENDIX 6 STANDING ORDERS**

*(Subject to the Articles of Association of Lincoln UTC)*

### **1. Chairman and Vice Chairman**

- 1.1 The chairman and vice chairman will cease to hold office subject to criteria laid out in section 85 of the Articles of Association.
- 1.2 When the chairman and vice-chairman are due for election, the Board of Directors will elect to both positions as arranged by the Clerk.
- 1.3 The Clerk will take the chair when the chairman is being elected. Otherwise the chairman will conduct all meetings of the Board of Directors except that, in his/her absence, the vice-chairman will take the chair.
- 1.4 If the election of the chairman or vice-chairman is contested it will be decided by secret ballot. Directors standing for election will withdraw and not vote.
- 1.5 If both the chairman and vice-chairman are absent from a meeting, the Board of Directors will elect a chairman for that meeting.
- 1.6 If the chairman resigns, or has to relinquish the office for any reason, the vice-chairman will act as chairman until a successor is appointed at the next meeting of the Board of Directors. The election of chairman will be a specific item of business on the agenda for the meeting.
- 1.7 If the vice-chairman resigns, or has to relinquish the office for any reason, a successor will be appointed at the next meeting of the Board of Directors.
- 1.8 If both the chairman and vice-chairman resign, or have to relinquish their offices for any reason, the Board of Directors will hold a special meeting within 7 days to elect their successors.

### **2. Calendar of Meetings**

- 2.1 The Board of Directors will meet at least three times per academic year.
- 2.2 Committees will meet at a frequency determined by the Board of Directors.
- 2.3 The Board of Directors will set the dates for its meetings, including those of any committee and/or working group for the next school year at the final meeting of the previous school year.

### **3. Timing and Duration of Meetings**

- 3.1 Meetings will start at times which are acceptable to the Board of Directors and will be limited to 2 hours duration.
- 3.2 Where the business has not been completed within the agreed time, those Directors present may resolve to continue the meeting in order to deal with the business notified on the agenda.
- 3.3 A meeting may be discontinued at any time if the Board of Directors so resolves. If so, or if the meeting has to be abandoned because it is no longer quorate, a further meeting shall be called as soon as practicable to complete the unfinished business.

#### **4. Quorum**

4.1 The quorum for all business of the Board of Directors is one third of the total number of Directors in post.

4.2 Meetings which become inquorate will be discontinued.

#### **5. Withdrawal from meetings**

5.1 Directors will be required to withdraw from a meeting under circumstances set out in the Articles of Association.

5.2 If there is a dispute about a person attending a Board of Directors meeting being required to withdraw, the matter of withdrawal shall be determined by the Board of Directors.

#### **6. Convening meetings**

6.1 All meetings will be convened by the clerk, in accordance with the arrangements made by the Board of Directors, but subject to (a) any direction from the chairman where a matter is urgent and (b) any requisition signed by three Directors.

#### **7. Notice of Meetings**

7.1 Written notice of meetings, together with the agenda, will be sent so as to arrive seven clear days before the meeting – except where the chairman calls an urgent meeting at short notice – to Directors at their registered addresses.

7.2 Sending notices of meetings and other papers electronically is acceptable.

7.3 Non-receipt of notice of a meeting will not invalidate the meeting.

7.4 Notices of meetings, and the accompanying agenda, will be made available at the school, at all reasonable times, for inspection by anyone wishing to see them.

#### **8. Agenda**

8.1 The agenda will be prepared by the clerk in accordance with any determination of the Board of Directors and in consultation with the chairman and the Principal.

8.2 Any Director may place an item on the agenda by writing to the clerk.

8.3 Papers that inform agenda items will be sent to Directors with the agenda.

#### **9. Late Items/Any Other Business**

9.1 The agenda may include AOB and the Board of Directors will decide whether any such item is to be discussed or, if appropriate, deferred to a subsequent meeting.

## **10. Resignation/Disqualification of Directors**

10.1 The Board of Directors will follow the rules as set out in the Articles of Association.

## **11. Expenses**

11.1 The Board of Directors will prepare a policy on the payment of expenses of Directors in accordance with regulations.

## **12. Attendance**

12.1 The clerk will keep a record of those Directors and all other persons present at meetings of the Board of Directors or any of its committees.

12.2 Where a Director sends an apology for absence with reason, the Board of Directors will decide whether to 'consent' to the absence and the clerk will record the decision in the minutes.

12.3 The time of arrival and/or departure of any governor not in attendance throughout any meeting will be recorded in the minutes.

## **13. Minutes of Meetings**

13.1 The minutes of meetings will be kept in a binder and signed by the Chairperson as a true record.

13.2 Any dissenting views will be recorded in the minutes of the meeting, if that is the wish of one or more Directors present.

13.3 Action will be taken on the basis of decisions and need not await the approval of the minutes at the next meeting.

13.4 Within 15 days of the meeting, the draft minutes will be sent by the clerk to the chairman for checking.

13.5 The approval of the minutes of the previous meeting will be on the agenda of every meeting of the Board of Directors and once approved as a true record (subject to any agreed amendments) the minutes will be signed and dated by the chairman.

13.6 Those matters which the Board of Directors determines shall remain confidential will be minuted separately and such minutes will not be made publicly available.

13.7 Approved draft minutes, and subsequently the approved minutes, will be made available at the school, at all reasonable times, for inspection by anyone wishing to see them.

13.8 Minutes made available for inspection will include papers forming part of the meeting.

## **14. Confidentiality of Proceedings**

14.1 Discussions, proceedings and voting at meetings of the Board of Directors and committees will be treated as confidential and not revealed to anyone other than a governor.

## **15. Correspondence**

- 15.1 All incoming correspondence to the Board of Directors (other than any concerning a complaint) is for the attention of the whole Board of Directors, even if addressed to the chairman and/or the clerk. Significant items will be circulated to all Directors as and when received/presented to each meeting of the Board of Directors for action or information as appropriate. The chairman will report upon any correspondence on which he/she has already taken urgent action.
- 15.2 The Board of Directors will determine by resolution who may write letters on behalf of the Board of Directors, either generally or on specific issues.

## **16. Information and Advice**

- 16.1 The Principal has a statutory duty to keep the Board of Directors fully informed, and will present a written report to each termly meeting of the Board of Directors.
- 16.2 Where (exceptionally) important information required by the Board of Directors is given orally, it will be recorded in the minutes in appropriate detail.
- 16.3 Where information required by the Board of Directors is not readily available, reasonable time will be given for its production.
- 16.4 Where expertise is needed but not available within the Board of Directors, the Board of Directors may consider inviting appropriate non-Directors to attend meetings or appointing associate members.

## **17. Discussion and Debate**

- 17.1 The chairman will ensure that all Directors enjoy equality of opportunity to express their views.
- 17.2 The Board of Directors will receive and note, any decisions on matters which it has delegated to a committee or to an individual. Decisions will be recorded in the minutes
- 17.3 Recommendations received from working groups will be recorded in the minutes, together with any related Board of Directors resolution.

## **18. Decision-making**

- 18.1 Members of the Board of Directors recognise that all decisions must be made by the Board of Directors unless the Board of Directors has delegated the function to a committee or to an individual.
- 18.2 Only Directors present at a meeting may vote; proxy voting is not allowed.
- 18.3 A simple majority decides any matter put to the vote. In the event of a tie, the chairman has a casting or second vote – except in the case of a selection panel deciding who, if any, candidate to recommend to the Board of Directors for appointment as head/deputy.

- 18.4 Voting in the election of the chairman or vice-chairman where there is a contest will be held by secret ballot. Otherwise voting will ordinarily be by show of hands, unless one or more Directors requests a secret ballot.
- 18.5 Decisions of the Board of Directors are binding upon all its members.
- 18.6 Decisions of the Board of Directors (or of any of its committees) may be amended or rescinded at a subsequent meeting of the Board of Directors only if a proposal to amend or rescind appears as a specific agenda item.

## **19. Urgent Action**

- 19.1 The chairman, or in his or her absence the vice-chairman, has authority to take urgent action between meetings only where:
- a delay in dealing with the matter would be seriously detrimental to the interests of the UTC, a pupil, his/her parents, or a member of staff;
  - a meeting could not be called in sufficient time to deal with the matter; and
  - the matter is one which can be delegated to an individual under government regulations.
- 19.2 If the chairman (or vice-chairman) takes any urgent action between meetings, the facts will be reported to the next meeting of the Board of Directors.

## **20. Public Statements**

- 20.1 Public statements on behalf of the Board of Directors will be made only by those delegated to make them.

## **21. Access to Meetings of the Board of Directors**

- 21.1 Apart from Directors, the only people entitled to attend a meeting of the Board of Directors are the Principal (where he/she has chosen not to be a governor), the clerk and, where those specifically invited to do so.
- 21.2 The Board of Directors will decide who, other than those entitled to attend, may be admitted to a meeting and which of its meetings, if any, will be open to parents/the public.
- 21.3 Directors may be required to leave a meeting where matters of a confidential nature relating to individual staff or pupil are discussed.
- 21.4 When the Principal is absent, the deputy Principal will attend in his/her place but will have no vote (unless in the long-term absence of the head, the deputy has been appointed acting Principal).
- 21.5 The Board of Directors can require any non-governor present at a meeting to leave at any time.
- 21.6 If a meeting is to be opened to parents/the public, reasonable notice will be given.
- 21.7 The Vice Principals may be invited to attend meetings of the Board of Directors as an observer/observers, as part of their professional development.

## **22. Pecuniary and Personal Interest**

- 22.1 The Board of Directors will maintain a register of the pecuniary interests of its members signed by the relevant governor when an entry is made each sheet being a statement completed and signed by the relevant governor.
- 22.2 Directors will draw attention to any pecuniary or other personal interest, whether that interest has previously been registered or not.
- 22.3 Anyone who is ordinarily entitled to attend Board of Directors or committee meetings (that is, Directors, members of committees, associate members or Principals) must withdraw and not vote on the issue if:
- there could be conflict between the interests of that person and the interests of the Board of Directors; or
  - where a fair hearing must be given and there is reasonable doubt about the individual's ability to act impartially on any matter.
- 22.4 When a committee is considering:
- disciplinary action against an employee or against a pupil; or
  - a matter arising from an alleged incident involving a pupil
- A governor who has declared a personal interest may nevertheless attend the meeting to give evidence if he/she has made relevant accusations, or is a witness in the case.

### **23. Complaints and Staff Discipline**

- 23.1 The Board of Directors will establish procedures for dealing with general complaints.
- 23.2 The Board of Directors will establish procedures for dealing with staff disciplinary matters and staff grievances.

### **24. Delegation of Functions**

- 24.1 No action may be taken by an individual governor unless authority to do so has been delegated formally by resolution of the Board of Directors.
- 24.2 The arrangements for delegating functions will be reviewed annually by the full Board of Directors.

### **25. Committees**

- 25.1 Committees to which the Board of Directors has delegated any of its functions will act strictly in accordance with the terms of delegation.
- 25.2 When establishing committees the Board of Directors will ensure compliance with the regulations concerning the constitution of the committees and will:
- determine the membership (including non-Directors where permitted and appropriate);
  - allow the committee to elect its chairman;
  - establish and record terms of reference;
  - review the membership and terms of reference annually;
  - determine arrangements for reporting back;
  - review the need for, and the membership of, committees annually.
  - set the quorum for each committee
- 25.3 The Principal has the right to attend any committee meetings, subject to the statutory rules on withdrawal.

- 25.4 All committees and individuals with delegated powers will report in writing to the next meeting of the Board of Directors about any decisions made or action taken.
- 25.5 All committees with delegated powers will keep formal minutes, and copies will be presented to the next meeting of the Board of Directors.
- 25.6 All meetings of committees will be clerked by a person who is not the Principal.

## **26. Working Groups**

- 26.1 In establishing working groups the Board of Directors will:
- determine the membership, including non-Directors, and the method of appointing the chairman;
  - establish and record terms of reference;
  - allow working groups to determine their own timetables within given limits;
  - determine procedures for reporting back.
- 26.2 The Principal has the right to attend any working group meeting.
- 26.3 Working groups established for specific purposes will be discontinued when their work has been completed.
- 26.4 All working groups will present a written report, including recommendations where appropriate, to the next meeting of the Board of Directors.

If any conflict arises between the Articles of Association and the Standing Orders, the Articles of Association shall prevail.