

# LUMINATE EDUCATION GROUP

## SCHEME OF DELEGATION 2020/21

### PART 1 - INTRODUCTION

#### 1. Interpretation

In this Scheme of Delegation:

“The Group” means Harrogate College, Keighley College, Leeds City College, Leeds Conservatoire and White Rose Academies Trust.

“The Corporation” means the Further Education Corporation of Luminare Education Group, established under the terms of The Further and Higher Education Act 1992.

“Group Board” means the Governing Body of the Luminare Education Group Corporation.

“Local/Member Boards” includes the Harrogate College Board, Keighley College Board, Leeds City College Board, Leeds Conservatoire Board of Directors and White Rose Academies Trust Board of Directors. These are the boards of each member of the Group.

“Committees” means the Group Audit Committee, Group Governance & Nominations Committee, Group Remuneration Committee, Group Finance Committee and Group Property Strategy Committee. Each committee operates in accordance with terms of reference determined by the Group Board.

Words importing one gender shall import all genders and the singular number shall include the plural and vice versa (unless the context otherwise requires).

#### 2. Objectives of this Scheme of Delegation

- 2.1 To ensure clear dissemination between the work of the Group Board, the local/member boards and committees and how each fulfils its responsibilities and their commitments to each other to ensure the success of the Group.
- 2.2 To have in place clear parameters for decision-making on statutory, financial, quality and curriculum matters.

#### 3. Legal Status, Powers and Responsibilities

- 3.1 The Corporation was established under the terms of The Further and Higher Education Act 1992 and is governed by Instrument & Articles of Government, setting out its powers and responsibilities. The Articles of Government prohibit the Corporation from delegating the following specific functions:
  - the determination of the educational character and mission of the institution;
  - the approval of the annual estimates of income and expenditure;
  - the responsibility for ensuring the solvency of the institution and the Corporation and for safeguarding their assets;
  - the appointment of the Principal or holder of a senior post;
  - the appointment of the Clerk; and
  - the modification or revocation of the Articles of Government.

The Corporation is also not permitted to delegate the consideration of the case for dismissal, and the power to determine an appeal in connection with the dismissal, of the Chief Executive, the Clerk or the holder of a senior post, other than to a committee of members of the Corporation.

- 3.2 Leeds Conservatoire is a company limited by guarantee, formed under the Companies Act 2006. Its powers are set out within the company's Articles of Association. The company is a wholly owned subsidiary of the Corporation.
- 3.3 White Rose Academies Trust is also a company limited by guarantee, formed under the Companies Act 2006. Its powers are set out within the company's Articles of Association. The Corporation sponsors the Trust.
- 3.4 Terms of Reference set out the powers and responsibilities of the Harrogate College Board, Keighley College Board and Leeds City College Board respectively. For the avoidance of doubt, these boards are not separate legal entities, instead forming part of the Corporation described at 3.1 above.

## **PART 2 – SCHEME OF DELEGATION**

### **4. Strategy and Policy**

- 4.1 The Group Board is the parent body and as such, it sets the strategic direction and has oversight of the performance of the Group. It agrees the Group vision, mission, values and strategic plan and any Group policies requiring board approval.
- 4.2 The Group Board determines Group strategic issues and Group policy, to be implemented and managed by the local/member boards through business and curriculum planning, monitoring of budgets, performance management, the setting of standards and the implementation of quality management processes.
- 4.3 The local/member boards shall be responsible for the setting and review of the curriculum but shall have regard to any views of the Group Board and the Group vision, mission, values and strategic plan.
- 4.4 The Group Board will have regard to the interests, views and representations made from local/member boards when considering and determining strategic matters and policy.
- 4.5 The local/member boards determine strategy and local policies, as necessary, for their respective part of the Group, albeit within the parameters of the Group vision, mission, values and strategic plan and any Group policies.

### **5. Finance**

- 5.1 The levels of financial delegation and financial responsibilities are detailed within the Group Financial Regulations. The local/member boards shall ensure that these regulations are observed at all times, as well as any requirements and recommendations of the Group Board.
- 5.2 In July of each year the Group Board will approve the consolidated budget for the following year and the Group three-year financial plan, derived from the following governance and management process:
  - September to January – Group performance review and business planning.
  - January/February – Group 'world café' and strategic seminar.

- February to April – Draft consolidated budget and three-year financial plan (including a breakdown for each part of the Group) presented to Group Finance Committee and Group Board for discussion around high level assumptions and financial objectives.
- May/June – Local/member boards to consider and approve the annual operating budget for their part of the Group, taking account of the high level assumptions and financial objectives set by the Group Board.
- July - Group Board will approve the consolidated budget for the following year and the group three-year financial plan, following review and recommendation by the Group Finance Committee.

- 5.3 In the event of any disagreement on the budget, a joint meeting will be arranged between members of the Group Board and the local/member board to resolve the disagreement.
- 5.4 Following approval of the consolidated budget and financial plan, each local/member board is required to manage the budget for their part of the Group. The local/member boards shall inform the Group Board without delay of any likely deficit in the accounts or any need for significant unplanned expenditure and will discuss with the Group Board options for remedial funding. Further detail is provided within the Group Financial Regulations.
- 5.5 The Group executive team will go through the process of deciding the Group membership fee for each Group member as part of the annual business planning process so that the agreed fees can be included in both the Group budget and member budgets in line with the above timescale.
- 5.6 The Group Finance Committee maintains strategic oversight of the Group's financial strategy and monitors financial performance against budget. The committee operates in accordance with terms of reference determined by the Group Board and within the parameters of the Group Financial Regulations.

(Note: The Group Financial Regulations, the consolidated budget and financial plan cover all parts of the Group other than White Rose Academies Trust; however, the Group Board will consider the Trust's budget plans in line with the above timescale.)

## **6. Property**

- 6.1 In conjunction with the local/member boards, the Group Board will develop and approve the Group Property Strategy, identifying the suitability of buildings and facilities in light of long term curriculum needs, and the need for and availability of capital investment.
- 6.2 The Group Property Strategy Committee maintains strategic oversight of the Group Property Strategy and the individual projects within in, monitoring the delivery of the overall objectives of the strategy. The committee operates in accordance with terms of reference determined by the Group Board and within the parameters of the Group Financial Regulations.
- 6.3 The responsibility for decision-making of any disposals or acquisitions of land to be used by the Group will be that of the Group Board – further detail is provided within the Group Financial Regulations.

## **7. Staffing**

- 7.1 The Group CEO and any other designated senior post holders (as defined in the Corporation's Articles of Government) will be appointed by the Group Board, as prescribed by the Articles (clause 9 – appointment and promotion of staff).
- 7.2 Other members of the Group executive and College Principals will be appointed jointly by the relevant local/member board chair (or nominee) and the Group CEO.
- 7.3 Line management of the Group CEO will be via the Chair of the Group to the Group Board. Regular line management of other members of the Group executive will be via the Group CEO.
- 7.4 The Group Remuneration Committee advises the Group Board, Leeds Conservatoire Board and White Rose Academies Trust Board (as appropriate) on the remuneration and conditions of service of relevant senior staff within its remit. The committee's responsibilities include consideration of annual performance targets, determining appraisal arrangements for the Group CEO and ensuring that appraisal arrangements are in place for other senior staff within its remit. The committee operates in accordance with terms of reference determined by the Group Board.

## **8. Statutory Duties**

- 8.1 Statutory duties (including safeguarding & prevent, equality, diversity & inclusion, health & safety and special education needs & disabilities) are imposed on each legal entity within the Group. The local/member boards are therefore responsible for the oversight and monitoring of compliance in these areas and for reporting to the Group Board, at least annually, on how these statutory duties have been met.

## **9. Audit and Risk**

- 9.1 The Group Board will appoint a Group Audit Committee, which will operate in accordance with terms of reference determined by the Group Board and in accordance with the Audit Code of Practice published by the funding body. The purpose of the committee is to advise on the Group's systems of internal control, risk management and (corporate) governance arrangements.
- 9.2 Risk registers for each part of the Group are owned by the relevant senior staff member and are monitored by the local/member boards. The Group risk register summarises key risks at Group level and is monitored by the Group Board.
- 9.3 The Group Board, with the advice of the Group Audit Committee, has the responsibility for overseeing risk management within the Group as a whole. Its role is to:
  - Set the tone and influence the culture of risk management in the Group
  - Determine what types of risk are acceptable and which are not
  - Determine whether the Group is risk taking or risk averse as a whole or on any relevant individual issue (risk appetite)
  - Approve major decisions affecting the Group's risk profile or exposure
  - Monitor the management of significant risks to reduce the probability of unwelcome surprises or impact
  - Satisfy itself that risk control measures are in place and working effectively for all risks
  - Conduct an annual review of the Group's approach to risk management and approve significant changes or improvements to key elements of its processes and procedures.

(Note: The Group Audit Committee covers all parts of the Group other than White Rose Academies Trust, which has a separate Audit Committee. Leeds Conservatoire also has its own Audit Committee with links to the Group Audit Committee as a wholly owned subsidiary company.)

## **10. Operational Matters**

- 10.1 The local/member boards shall adopt and shall comply with those Group policies as agreed and communicated by the Group Board from time to time.
- 10.2 The local/member boards will review their policies and practices on a regular basis, having regard to recommendations made by the Group Board from time to time, in order to ensure that the governance of the Group is best able to adapt to the changing political and legal environment.
- 10.3 The local/member boards shall provide such data and information as the Group Board may require from time to time.

## **11. Delegation to Chair of Governors**

- 11.1 If, in his opinion, any matter which would otherwise be the responsibility of the Group Board is of an urgent nature, the Group CEO may, in consultation with the Director of Governance, obtain the agreement of the Chair to take action necessary to deal with the matter. In the absence of the Chair, the CEO should seek agreement from any one of the Vice-chairs. Provided always that none of the responsibilities referred to in Article 8 of the Corporation's Articles of Government may be the subject of such action. Every such decision shall be reported to the next available ordinary meeting of the Group Board.

## **12. Delegation to Group CEO**

- 12.1 The Group CEO shall be responsible for:
  - making proposals to the Group Board about the Group vision, mission, values and strategy and implementing the decisions of the Group Board and its local/member boards and committees;
  - preparing annual estimates of income and expenditure for consideration and approval by the Group Board, and the management of budget and resources within the estimates approved by the Group Board;
  - the organisation, direction and management of the Group and leadership of the staff;
  - oversight of the day to day running of the estate, including any decision in respect of the closure of all or part in response to any extenuating circumstances;
  - management of risk, ensuring that risk control measures are in place and working effectively;
  - fulfilling all relevant statutory and regulatory obligations;
  - dealing with all other matters falling within the scope of the CEO responsibilities and accountabilities, as set out within the agreed job description.

### **13. Governance**

- 13.1 The Group Governance & Nominations Committee advises the Group Board on the appointment/reappointment, training and ongoing development of board and committee members within the Group and keeps under review the systems, policies and procedures supporting the governance process.

### **PART 3 – ANNUAL REVIEW**

The Group Board will have the absolute discretion to review this Scheme of Delegation at least on an annual basis and to alter any provisions of it.

In considering any material changes to this Scheme of Delegation, the Group Board will have regard to and give due consideration to any views of the local/member boards.