

Sutton Grammar School Trust



Briefing for Trustees

The Role of Trustees

Sutton Grammar School Trust is a single academy trust. The Trust is a company limited by guarantee and is, by virtue of the Academies Act 2010, an exempt charity. The trustees collectively are the Trust Board and are also the company's directors.

The duties and responsibilities of a 'trustee' of the Sutton Grammar School Trust "the Trust" are different from those of a 'governor' of a maintained school.

The Trust Board of is responsible for ensuring that high standards of corporate governance are maintained. It exercises its powers in a largely strategic leadership role in the running of the School.

The Board:

- undertakes policy development and strategic planning;
- ensures sound management and administration of the academy;
- ensures that managers are equipped with relevant skills and guidance;
- ensures compliance with legal requirements;
- establishes and maintains effective internal controls;
- manages the academy's financial, human and other resources (in particular control over the spending identified in the School's development plan);
- monitors performance and the achievement of objectives, and ensures that plans for improvement are acted upon;
- provides a framework for the School to be responsive to the needs of parents and the community;
- sets the School's standards of conduct and values.

The Headmaster

The Headmaster is a trustee. He is the full time executive director. He is responsible for the internal organisation, management and control of the School; he implements policies approved by the Board. He is responsible for the direction of teaching and the curriculum.

Obligations of Trustees

The Trust is a company limited by guarantee with charitable status.

Trustees of the charity are under a duty to protect the assets, property and good name of the charity.

Trustees have full responsibility for the charity and must:

- act together and in person and not delegate control of the charity to others;
- act strictly in accordance with the Company's Articles of Association and the Funding Agreement with the Department for Education;
- act in the Trust's interests only and without regard to their own private interests;
- manage the School's affairs prudently;
- not derive any personal benefit or gain from the Trust; and
- take proper professional advice on matters on which they are not themselves competent.

In managing the finances of the Company and the School trustees must:

- make sure that bank accounts, financial systems and financial records are operated by more than one person;
- make sure that all the Trust's property is under the control of the Trustees;
- keep full and accurate accounting records; and
- prepare accruals accounts giving a true and fair view of the Trust's incoming resources and application of resources during the year and of its state of affairs at the year end.

In applying the Trust's income the Trustees must spend it solely for the purposes set out in the Articles of Association and in the Funding Agreement with the Department for Education.

Conduct of Trustees

All trustees and staff of the Trust are public servants and as such must not use public monies or official business for personal benefit. The Trust's procedures are designed to prevent any trustee or employee obtaining goods and services for private use. Excessive hospitality must not be accepted from current or prospective suppliers.

Trustees and staff must follow the rules about the receiving of hospitality and gifts which are set down in the Trust's Financial Procedures. The Prevention of Corruption Act places the burden of proof on the recipient of favours.

Declarations of Business Interests

All trustees must complete a declaration of business interests. This requirement also extends to senior employees. Declarations should include all business and pecuniary (monetary) interests such as directorships, shareholdings and other appointments of influence within a business or other organisation. They should also include interests of related persons such as parent, spouse, child, cohabitee and business partner where that person *could* exert influence over a trustee or a member of staff.

If a trustee (or a member of staff) or a related person has any interest, either pecuniary or non-pecuniary, in a matter to be discussed at a meeting of the Board or any committee of the Board the trustee or member of staff must declare their interest and withdraw from that part of the meeting.

It is the responsibility of a trustee to ensure that the declaration of business interests is kept up to date. Each agenda of the Board or committee includes a standing agenda item for attendees to declare any changes to their declarations of interests.

Payments to Trustees

It is illegal for trustees to receive any remuneration for their work as trustees, other than payment of all reasonable out of pocket travel, accommodation or other expenses legitimately incurred by them in connection with their attendance at meetings acting in the capacity of trustee.

There are specific exceptions where a trustee or a related party offers professional services to the Trust but in such circumstances the trustee concerned must withdraw from any meeting at which his remuneration, or that of a partner / relative, is under discussion.

Companies Act Responsibilities

Trustees as directors have a responsibility to prepare and deliver documents, on behalf of the company, to Companies House as and when required by the Companies Act. These include, in particular:

- the annual return;
- the annual accounts;
- the notification of any change in the company's officers or in their personal details;
- the registration of charges.

The Companies Act 2006 confirms previous case law and requires company directors to act in a way most likely to promote the success of the business. A trustee must exercise a degree of skill and care.

A trustee must:

- show the skills expected of persons with their knowledge and experience.
- act as a reasonable person would do in looking after their own business.

Trustees must act in good faith in the interests of the company as a whole and:

- avoid conflicts of interest;
- declare any conflicts of interest;
- not make any personal profit at the company's expense;
- not accept benefits from third parties.

Trustees must obey the law:

- company law requires directors to produce proper accounts and send various documents to Companies House.
- if in doubt, directors must take professional advice. Acting improperly can lead to fines, disqualification from being a director, personal liability for the company's debts or a criminal conviction.

Other Legal responsibilities

Trustees as directors have other legal duties besides those relating to the Companies Act.

For example, directors must comply with employment law in all dealings with employees or they may be found personally liable for unfair dismissal, discrimination or unfair work practices. Directors have an individual and collective duty to ensure that the Company complies with all employment law changes.

Directors must ensure:

- that there is a written health and safety policy in place.
- that the correct amounts of tax, VAT and National Insurance contributions are paid and on time.

Failure to carry out some of these duties, such as where health and safety is concerned, can result in a criminal conviction.