

## Academy Trust Governance

### *Summary briefing for governors considering conversion to academy status*

Academy Trusts are charitable companies limited by guarantee (the normal model used by voluntary and charitable organisations). The Academy Trust will enter into a legally binding Funding Agreement with the Secretary of State, relating to the running of the Academy.

It is for the current Governing Body to decide who should be the members of the Academy Trust and who should be the Governors. There is flexibility for them to create a governing body that is appropriate for the school and, in most cases, replicates their existing governing body if they wish to, subject to the minimum requirements below.

To establish the Academy Trust the existing Governing Body must:

1. Complete a 'Memorandum and Articles of Association' (model documents are available on the DfE Academies website).
2. Register the Academy Trust with Companies House.
3. Submit Memorandum and Articles to DfE for approval.
4. Once approval is confirmed the documents should be filed with Companies House.

'Memorandum and Articles of Association':

- The Memorandum contains the names and signatures of the subscribers who wish to form the Academy Trust under the Companies Act 2006.
- The Articles give details of the company's internal management affairs, the running of the company and its liability.

Schools should use the 'model' on DfE website.

The responsibilities of governors will be similar to those in non-academy maintained schools. The principles of governance are the same, but the governing body will have greater autonomy. Governors should not get involved in the day-to-day management of the school. Governors will not be personally liable if they act in good faith, and Academies are required to have governor liability insurance for their collective 'good faith' liability.

The Governors of the Academy will be the Directors and Trustees of the Trust. The Trust will need to submit returns to, and conform to the requirements of, the Charities Commission.

(Charity regulations: A charity trustee or managing trustee is any director, trustee or member of the committee responsible for the general control and management of the charity; holding trustee is a person who is named on the register as holding the legal title to land and assets. It is not clear, but it appears that the DfE 'Members' are equivalent to the Charity Commission 'holding trustees'.)

### **Academy Trust**

Members of the Academy Trust (those people who establish the Trust):

- The signatories to the Memorandum.
- The Chair of Governors.
- 1 person appointed by the Secretary of State if they appoint a person for this purpose.
- Further persons agreed unanimously by the Members.

There must be a minimum of 3 Members; there is no maximum.

It is possible to be both a Member of the Trust and a Governor, but DfE recommends that the number of Members is kept relatively small.

The Academy Trust will be responsible for:

- Strategic oversight of the academy with control over the school land and other assets.
- Appointing the Academy's Governors/Directors.

The Trust must hold an AGM each year, and may hold other general meetings. Meetings are called by the Governors and chaired by the Chair of Governors. Any Governor can attend and speak. Each Member has one vote. Can have poll votes, including proxy votes.

The business of the Academy Trust is managed by the Governors.

## **Governing Body**

The Academy Trust will have the following Governors:

- Up to x governors appointed by the Members of the Trust.
- Any staff governors, appointed by a process agreed by the Trust, provided the number of employees of the Trust does not exceed one third of the governors.
- Up to 1 local authority governor, appointed by the local authority (must not be more than 20% of Governors).
- At least 2 parent governors; parents at the time of their election, elected by secret ballot; if fewer stand for election, the Governors shall appoint parents to fill the vacancies.
- The Principal.
- Up to 3 co-opted governors (appointed by governors who are not co-opted).
- Secretary of State may appoint 'additional' and 'further' governors if he has given warning over an inspection or the school's standards.

There must be at least 3 Governors, but no maximum unless agreed by resolution of the Trust.

Term of office is 4 years (except Principal). Governors may be reappointed.

Governors and non-governor members of committees:

- Must be 18 or over; students cannot be governors.
- Must have valid CRB certificate.
- Must not be disqualified under the Companies Act or Charities Act.
- May be removed by the Governors if absent without permission for 6 months.

Chair and Vice Chair elected annually, by secret ballot if contested.

The Governors manage the Academy on behalf of the Academy Trust and may exercise all the powers of the Trust. Their key responsibilities are:

- to ensure the quality of educational provision;
- to challenge and monitor the performance of the Academy;
- to manage the Academy Trust's finances and property;
- to employ staff;
- to ensure they and the Academy Trust comply with both charity and company law; and
- to manage and comply with the obligations in the Funding Agreement.

The Governors may carry out their business as they see fit, subject to the Articles of Association.

The Governors may establish committees:

- Membership and proceedings of committees are determined by the Governors.
- Membership may include non-governors, and governors can give them a vote.
- Majority must be governors, and votes can only be taken if majority present are governors.

Any powers and functions can be delegated to any Governor, committee, the Principal or executive office holder, who must report back to the next meeting of Governors.

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