



Being a Member of an Academy Trust

Schools which convert to Academies under the above Act are run by companies limited by guarantee called 'Academy Trusts'. Like any other company, Academy Trusts are registered with Companies House. The Academy Trust is also an exempt charity which means that it is not registered with the Charity Commission but must abide by charitable law.

Academy Documentation

Memorandum and Articles of Association

Like all companies, the Academy Trust has 'Articles of Association' ('Articles') which are the rules that govern the running of the company.

The Articles set out the Objects (or purpose) of the company. All Academy Trusts have at least one Object which is:

To advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school(s) which shall offer a broad and balanced curriculum

Church of England Academy Trusts also have a further Object which is to ensure that:

Church of England schools designated as such are conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education

More recently, the agreed model for a Multi Academy trust consisting of Voluntary Controlled Schools and Community schools contains the following:

Church of England schools designated as such are conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of

worship, and having regard to any advice and following any directives issued by the Diocesan Board of Education

The Academy Trust must use its resources exclusively in pursuance of these Objects.

Funding Agreement

This is the contract between the Academy Trust and the Secretary of State for Education for the running of the school(s) as an Academy. It sets out the principles of how the Academy Trust will be funded and, in return, the responsibilities and obligations required of the Academy Trust.

Academy Trusts running more than one Academy (known as Multi Academy Trusts) will have a 'Master Funding Agreement' and 'Supplemental Funding Agreements' for each of the Academies it runs.

Church Supplemental Agreement

This is the agreement between the Academy Trust, the Secretary of State for Education and the Diocese, for Church of England Academies. This sets out the respective rights and responsibilities of the respective parties for oversight of the Academy Trust, in particular its duties to uphold the principles, practices and tenets of the Church of England, and the use of any church lands by the Academy Trust.

Lease

For non-church Academies or for Church of England Academies where some land is owned by the Local Authority (usually playing fields), there may be a 125 year lease between the Local Authority and the Academy Trust for the use of the Local Authority land for the purposes of running the Academy.

In some instances, it may be necessary for Church of England Academies to take on a lease for a third parties land interest in the academy site. E.g.: DBF Glebe land.

Membership

Members of a company limited by guarantee (like the Academy Trust) are the equivalent of shareholders in a company limited by shares. They are the 'guarantors' of the company and promise to pay £10 towards the debts of the company in the event that the Academy Trust is wound up.

Members have limited but important powers under the Articles. These include the right to wind up the Academy Trust, amend the Articles, change the name of the company, appoint other Members and appoint and remove one or more Directors. However, Members should not interfere with the day to day operation of the school or approach Directors or the Headteacher on an individual basis in their role as a Member.

The Academy Trust must have at least three Members, one of whom must always be the Chair of the Governors/Directors (see below). A particular body associated with the school may be entitled to appoint a specified number of Members.

For example, where a voluntary aided school decides to convert to Academy status, the Diocese will expect to appoint the majority of the Members.

Directors

In all Academy Trusts, the individuals appointed to make strategic decisions about the day to day running of the company have three names:

- They are Directors - because the Academy Trust is a company;
- They are Trustees - because the Academy Trust is a charity; and,
- They are Governors - because the Academy Trust is responsible for running the school(s)

This can be very confusing as the documentation used to set up the Academy Trust and the Department for Education guidance for Academies uses these three titles interchangeably, depending on the context. For the purposes of this document, we shall refer to the Directors/Trustees/ Governors of an Academy Trust as 'Directors'.

Directors are made up of a diverse range of individuals. The Members will always appoint one or more Directors. Others might be appointed by parents, staff or by other Directors from members of the local community. The Headteacher (for single Academies) or the Executive Headteacher/Chief Executive (for Multi Academies) will also often be an ex officio Director, which means they will be a Director for so long as they remain in post. The Articles will stipulate the number and types of Directors which the Academy Trust should have.

The Directors come together to form the Board of Directors ('Board'), sometimes also referred to as the Board of Trustees or Governing Body. The Chair of the Board of Directors will usually always be a Member of the Academy Trust.

In Multi Academy Trusts, each Academy may have its own 'Local Governing Body' ('LGB') or 'Advisory Body'. These have a similar status to committees of a maintained Governing Body and the only powers they have are those that are delegated to them by the Board of Directors. This is normally formalised into a 'Scheme of Delegation'. The ability to delegate additional responsibilities or remove responsibilities is not static and the level of delegation can be reviewed to meet changing circumstances. For example, if a school was judged by Ofsted to be 'Good' after previously being judged 'Inadequate', it might be appropriate for the LGB to be given more delegated powers by the Board.

Individuals serving on an LGB or Advisory Body may or may not be Directors of the Academy Trust. It is common for them to be referred to as 'governors', although technically the Governors of an Academy Trust are the Directors/Trustees.

Church of England Membership

When Church of England schools become Academies, the Diocese will expect to appoint a number of Members to the Academy Trust. Diocese of Leicester Educational Trust (DLET) is empowered by the Diocese of Leicester's Board of Education to select appropriate individuals to become church-appointed Members.

Responsibilities of Members

As a Member of the Academy Trust appointed by DLET, you will share equally with the other Members the responsibility of being a 'guardian' of the Academy Trust. Whilst the Directors will manage the business of the Academy Trust and exercise all the powers of the Academy Trust on a day to day basis, the Directors are ultimately accountable to the Members for this.

In general terms, the responsibilities of a Church of England Member of an Academy Trust are to:

- Be a 'guardian' of the Academy Trust;
- Ensure that the Academy Trust is acting within its Objects as set out in the Articles;
- Safeguard and promote the values of the Academy Trust and its Christian ethos;
- Support the Academy Trust and be an advocate for it;
- Carry out their business effectively, including induction of new Members and a commitment to the continued professional development of Members. A Member may attend or send a nominee to attend any Member's meeting of the Academy Trust. A nominee will be entitled to exercise the same powers of the member which they represent;
- Appoint (and where necessary remove) one or more Directors of the Academy Trust.

Some Academy Trusts will want their Members to play a more proactive role in overseeing the running of the Academy Trust. Within each Academy Trust, it is crucial that the Members and the Directors have a clear understanding of how they discharge their respective responsibilities within the Academy Trust.

Meetings of Members of an Academy Trust are called 'General Meetings' and the decisions they make are called 'resolutions'.

The Members of an Academy Trust will meet at least once a year at the Annual General Meeting (AGM). AGMs must be held no more than 15 months apart and the first AGM must be held within 18 months of the Academy Trust being registered with Companies House. Technically, it is the Directors that call the AGM and the Directors can attend and speak at AGMs, although they cannot vote on resolutions.

The information made available to Members during the year and/or at the AGM might include:

- The minutes of all Board of Directors meetings;
- The Annual Accounts and Annual Return which should be submitted to Companies House;
- Other additional information as the Members and Directors may agree to enable the Members to carry out their 'guardianship' role e.g. financial updates, details of any building works or site issues, report on the development of the school's Christian ethos etc. (although these issues will usually be adequately covered in the minutes of Board meeting).

It would be expected that Members would have the opportunity to discuss any matters contained in the information and ask questions.

During the course of the year, it would also be appropriate for the Directors to keep the Members up-dated on fundamental issues relating to the running of the Academy Trust.

These might include:

- Any litigation involving members of staff (i.e. court proceedings/tribunal proceedings/criminal prosecutions) and in particular any which might reflect adversely on the Academy Trust;
- Financial concerns which develop during the course of the financial year and in particular any financial concerns that might have an impact on the employment of staff or the delivery of the broad and balance curriculum which the Academy Trust is under a duty to offer;
- Details of any Ofsted / SIAMS Inspections and other related external monitoring;
- Resignation or the appointment of a Headteacher or Executive Headteacher;
- Vacancies arising on the Board for which the Members have responsibility.

In general, when serious issues arise for which the Members need to be informed or take action then it is the responsibility of the Chair of Directors to alert them and/or to convene a meeting if appropriate.

Membership Liability

The Academy Trust is a company limited by guarantee. That 'guarantee' is that each of the Members agrees to pay £10 each to any creditors of the Academy Trust in the event that the Academy Trust was wound up.

Expectations of our Members

All new and reappointments of Members will normally be required to provide an acceptable Enhanced Criminal Records Bureau disclosure

It is an expectation of DLET that Members will have:

- An understanding of the doctrines and tenets of the Church of England and the importance of Church of England schools to the mission of the Church;
- A commitment to the Academy Trust and its Objects including the Christian character and ethos of the Academy Trust;
- A willingness to devote the necessary time and effort to Academy Trust business;
- Effective communication skills and a willingness to ensure effective communication between DLET (through the DDE) and the Academy Trust;
- An ability to hold others to account for their professional practice;
- Good independent judgment;
- An understanding and acceptance of the legal duties, responsibilities and liabilities of Members within company and charitable law.

Guidance for an Annual General Meeting

ANNUAL GENERAL MEETING for a MULTI-ACADEMY TRUST COMPANY

Notice is hereby given that the AGM of [] (company reg. no:)
will be held on []
at []

At []

Agenda

1. Prayers
2. Apologies for absence
3. Declaration of interests
4. Accounts for year ending []
5. Appointment of Auditors.
6. Matters arising from minutes of the previous AGM, held on []
7. Directors' report
 - (i) General report
 - (ii) SIAMS self evaluation (SIAMS Toolkit) for church academies in the MAT
 - (iii) RAISEonline for all academies in the MAT
 - (iv) current school Self Evaluation Form (SEF) for all academies in the MAT
8. Any other business

(*For the purposes and detail of this pro-forma please see the attached explanatory note at Appendix A.)

Signed:.....

Chair of Directors

Date:.....

NOTE - PROXIES

A Member of the Company is entitled to appoint one or more proxies to attend the meeting and vote on his/her behalf. If a Member wishes to appoint a proxy he should please notify the Company Secretary/Clerk in writing at least 24 hours in advance of the meeting. Notice of the appointment of a proxy should be in the following form:

"I/We,, of, being a Member/Members of the above-named Company, hereby appoint of, or in his absence, of, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual general meeting/ general meeting of the Company to be held on 20[], and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No. 1 *for * against

Resolution No. 2 *for * against.

(Strike out whichever is not desired.)

Explanatory Notes (not to form part of Notice)

Timing

Articles 19 to 44 set out the rules in respect of the company's general meetings. It must hold an AGM but may also call other general meetings as and when required. General meetings (both AGMs and others) are called by the directors but any two or more of the members may require the directors to call a general meeting and should not hesitate to do so if they believe that they have substantial cause. Article 20 sets out the situation in which a single member or director may call a meeting.

Any general meeting (including the AGM) is the members' meeting and only they may vote. However Article 27 allows any director also to be present and to speak, but not to vote. There is no provision for members to be able to hold a general meeting without the directors being allowed to be present.

Notice

14 clear days' notice of the AGM is required to be given by the Directors in accordance with the Articles.

Quorum

The Chair of the meeting will declare a quorum (two members capable of voting unless the Articles say otherwise) is present and that the meeting may proceed as the Annual General Meeting.

The Chairman will note apologies from members unable to attend.

Election of Chairman

The chairman (and vice-chairman) are not elected at the AGM but by the directors at their first meeting of the year in accordance with Articles 83ff.

Company Secretary/Clerk to Directors

There is no requirement for the Company to have a Company Secretary but there should be a clerk to the directors who has the largely administrative role set out in the Articles. References to the 'Secretary' in the Articles are to the clerk.

Declaration of Interests

The Company is a company limited by guarantee and not having a share capital and accordingly the directors must comply with the obligations of directors of a company under the Companies Act 2006 and applicable law including the requirements on members and directors in the Academies Financial Handbook. This includes a requirement for them to declare their interests in any proposed transactions or arrangements. Members should also make such declarations at this point.

The minutes would read that the members and directors present declared the nature and extent of their interests in any business of the Academy. This will be relevant particularly if a transaction has been proposed or a contract entered into in which one of the directors has an interest.

Directors' Report

The AGM is the forum for the members to assure themselves that the Multi-Academy is truly being carried out in accordance with the terms of the site trusts for the academies in the MAT as well as those of the Articles, Funding Agreements (Master and Supplemental) (and Academies Financial Handbook) and Supplemental Land Agreements in place.

The directors must be prepared to discuss not only those items listed on the agenda but also:

- How the MAT has fulfilled its objectives in the previous year;
- What the objectives are for the next year;
- Summary of capital projects;
- Summary of all insurance policies relating to the academy including the current insurance policy for the schools themselves;
- Summary of programme of inspections (e.g. asbestos)
- Matters arising from review of Articles/Funding Agreements/Supplemental Agreements* and confirmation that they have acted in accordance with all requirements therein and if not, how, why and what action will be taken.

* Directors are encouraged to read these documents at least once a year, ideally before the AGM to remind themselves of the requirements on the Company therein.

Ordinary Resolutions

Agenda items such as the appointment of auditors may be proposed and recorded in the minutes as ordinary resolutions meaning a 51% majority is required. The Chairman will conduct the vote on a show of hands basis. The minutes are sufficient for recording that an ordinary resolution has been passed so there is no need to prepare ordinary resolution documents such as those for special resolutions (Appendix B).

It may not be necessary at every AGM to make any changes to the directors but the members have certain powers under the Articles to appoint and remove the directors and unless the Articles prescribe that such decisions should be by 75% of the members (or unanimously) then it should again be done on a show of hands with 50% required and recorded in the minutes as an ordinary resolution. Note that some directors (including staff directors) are appointed by the members as a whole and may be removed by them: other directors are appointed by specific members or by the foundation members as a group and may be removed by them: parent directors are elected and may not be removed by the members: any LA director can only be removed by the LA: the Principal is a director ex-officio, as sometimes are others (e.g. the Incumbent).

Other ordinary resolutions could be required depending on the circumstances. For example:

Ordinary Resolution to appoint/remove directors in accordance with articles.

Ordinary Resolution to [add/alter/appeal] the [rule/bye law that]. (It should be noted that the DBE's consent is required here under Article 138.)

Special Resolutions

Certain decisions will be required to be taken by special resolution by the Articles or the Companies Act 2006. Where a special resolution is proposed then the members should be given notice of that special resolution, the text of it and any documents to which it refers. A precedent form of special resolution is at Appendix B.

These can be passed on a show of hands unless a poll vote is requested in accordance with the Articles. The resolution should be signed by a governor and then filed at Companies House within 15 days.

Any Other Business

It is often the case that a full directors' meeting would have been held prior to the AGM and indeed this can be a good idea. With this in mind there may be issues arising which should be raised with the members. Generally however, items under Any Other Business should be notified to the Chair no later than seven days before the AGM and he shall exercise his discretion as to whether to include this and any item arising on the day within the agenda.

Minutes

The AGM and any general meeting must be minuted and it would be normal (but not essential) for minutes to be taken by the clerk appointed by the directors under Article 81. Note that this clerk is not (or not necessarily) someone exercising the functions of a Company Secretary but someone much more like the Clerk to the Directors of an ordinary maintained school. Such a Clerk may also be appointed company secretary if desired or a separate company secretary may be appointed . A clerk may not be a director (Article 81).. We advise that a company secretary should normally be appointed so that someone has the duty to ensure compliance with company and charity law.

General Meeting minutes must be circulated to all members and directors. These minutes, and all minutes of all directors' meetings are in principle public documents (subject to certain confidential matters). All minutes and associated papers must in principle be available for inspection by any interested party and hence should always be circulated to members as well as to directors and to the DBE and site trustees if they are not members.

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Appendix B

Precedent Special resolution

[***Name of Company*** (company number:)]

Pursuant to Section 283 of the Companies Act 2006

The following Special Resolution has been passed by the members of the above
company on of 201[]

**[It is resolved that the Memorandum and Articles of Association annexed hereto shall
replace the existing Memorandum and Articles in their entirety.]**

Or

**[It is resolved that the Company's Articles of Association be amended in the following
way(s):**

- In Article [] the word(s) shall be [deleted/replaced with the following]

Signed

.....
Name:

Date:

Chair of Directors