

Appendix 1

Local authority established Multi Academy Trusts (MATs): Registration of interest

The purpose of this DfE guidance document is to provide LAs to understand the process for registering their interest in establishing a MAT as part of a ‘test and learn’ exercise.

LAs that have proposals approved in principle will be invited to work with schools to submit applications to convert including securing school governing body resolutions to convert.

Critical dates: Registration of interest date: **31st July 2022**

Key points from guidance document

- The DfE expect to support a small number of projects and are looking for a broad mix of high performing LAs, geographical spread and a mix of school types and phases.
- This ‘test and learn’ approach is to assist the DfE in reviewing and refining their approach before any further decisions are taken to roll out this option further.
- **Principles of a LA initiated MAT include:**
 - a. Establishing proposed governance, leadership, and financial arrangements.
 - b. Identifying and appointing members of the academy trust
 - c. Identifying academy trustees for the trust board.
 - d. Working with the academy trustees to identify schools to join and securing governing body approval.
 - e. Evaluate each school within the trust in terms of strengths and areas of need and shape appropriate school improvement strategies.
 - f. Undertake due diligence on other schools which may want to join the trust.
- If approval received, the LA would work with academy trustees and schools to:
 - a. Complete the Memorandum of Understanding and Articles of Association and submit to the regional office.
- Once MAT is established, the board of trustees will oversee and be accountable for the strategic direction of the academy trust while the CEO and executive leadership will run the trust on a day-to-day basis.
- **Academy trust members** have the role to safeguard the governance arrangements and put in place an academy trust board that is the strategic decision-making body.
- **The DfE minimum requirement is that the academy trust board has at least THREE members but ideally FIVE. The DfE expect LAs to identify members who have capacity to oversee governance and bring a diverse range of perspectives.**
- **The DfE will remove the existing policy to restrict the proportion of academy trust members who can be associated with a LA** (this was previously 19.9%) although the DfE do require at least one member to be independent of any association with the LA.
- If more than 19.9%, a LA established MAT may need the legal threshold for being an LA influenced or controlled company. LAs should seek legal advice when developing their proposals.

- The 19.9% cap **will continue for academy trustees** for LAAP – Local Authority Associated Persons.
- The academy trust board is the strategic decision-making body. Member trustees are both charity trustees and company directors of the academy trust and trustees are obliged by charity law to run the academy trust solely for the best interests of its charitable purpose.
- New statutory intervention powers will underpin all trusts to provide a robust framework for ensuring the DfE tackle trusts which fail to achieve the expected outcomes.
- **Conflicts of Interest** will need to be identified in the academy trust proposal and carefully managed – in particular, party transactions will need to be declared including services the LA provides to the LA established trust.
- The starting position from the DfE will be that maintained schools should, where possible, join existing MATS rather than form new ones whether established by a LA or not.
- The DfE will manage the size of the new LA established MAT to ensure they are strong before considering growth. **The expectation is that LA established MATS will be small initially, with fewer than 10 schools/7,500 pupils.**
- An LA established MAT could apply to become a sponsor if there is a need in an area.
- It is the DfE expectation that the majority of schools with a religious character will continue to join MATS which are led by their diocese authority. **LA established MATS can include schools with a religious character but only where there is express consent of both the Academy trustees and relevant religious authority.**
- As with any application, schools joining a LA established MAT will be able to claim the £25,000 support grant. LA established Trusts may also be eligible for support from the Trust capacity Fund (TCaF).
- **Regional Directors will consider proposals**, assessing the need for new local capacity. **Consideration will be given to:**
 - a. how the proposal will demonstrate how it will meet the FIVE elements of the definition of a strong academy trust – see below.
 - b. The expertise of individuals being put forward as members and trustees.
 - c. The strength of the plan to support its schools.

Five principles:

1. **The vision** – why form a MAT, how will it fit with local landscape, expected benefits.
2. **The approach** – when established, how many schools initially, geographical area, exceptional costs.
3. **Strategic governance/leadership** – proposed structures, names of members/trustees.
4. **Finances** – proposed financial arrangements for the trust.
5. **School Improvement strategy** – where capacity to further improve outcomes.

- Before applying, LAs should contact the regional office to discuss ideas including whether there is a need for new trusts. **Submissions of registration of interest should be made by 31st July.**

Terminology: as taken from DfE guidance documentation

The **board/trust board** should be taken to mean the accountable body for the academies which is the board of Academy Trustees.

- The **organisation** means the academy or group of academies being governed.
- **Executive Leaders** should be taken to mean those held to account by the board for the performance of the organisation. This may be the CEO, executive Headteacher, Headteacher or principal, as well as other senior employees/staff, depending on the structure of the organisation.
- **Academy Trustees** means those who sit on the trust board.
- **Member(s)** refers to those who are the founder members and/or subsequent members of the academy trust.
- **Local Governing Body** (LGB) means a committee of a trust board with multiple academies that is established as such under the academy trust's articles of association.