EBN Trust

Governance report

7 March 2016

EBN Trust – Governance model

We have been asked to provide preliminary advice on a suitable governance structure which could be put in place so that EBN Trust can operate four schools.

EBN Trust currently operate two free schools – EBN1 and EBN2. The Trust has a board of members, a board of trustees and two sub-committees of the board – one dealing with student matters and one dealing with HR, Business and Finance. The Trust also had a health and safety committee that meets on an ad hoc basis.

All sub-committees of the board should comprise of a majority of directors (see article 101 of EBN Trust's articles of association). However, the student matter committee comprises of 6 persons: 3 trustees and 3 non-trustees and the Health and Safety Committee comprises of 4 persons (2 trustees and 2 non-trustees). In addition we understand that the board of trustees has one parent trustee, when article 46(b) states that there must be a minimum of 2 parent trustees on the board (as there are no local governing bodies).

The two free schools (special and AP) proposing to join the Trust are based in Birmingham and Henley, therefore the current structure is not fit for purpose if these schools join, both geographically and structurally. For example, if both heads of school were to join the board, it would exceed the 1/3 threshold of employees on the board and could make the board large and unwieldy. It would also place more pressure on the sub-committees whose work would double.
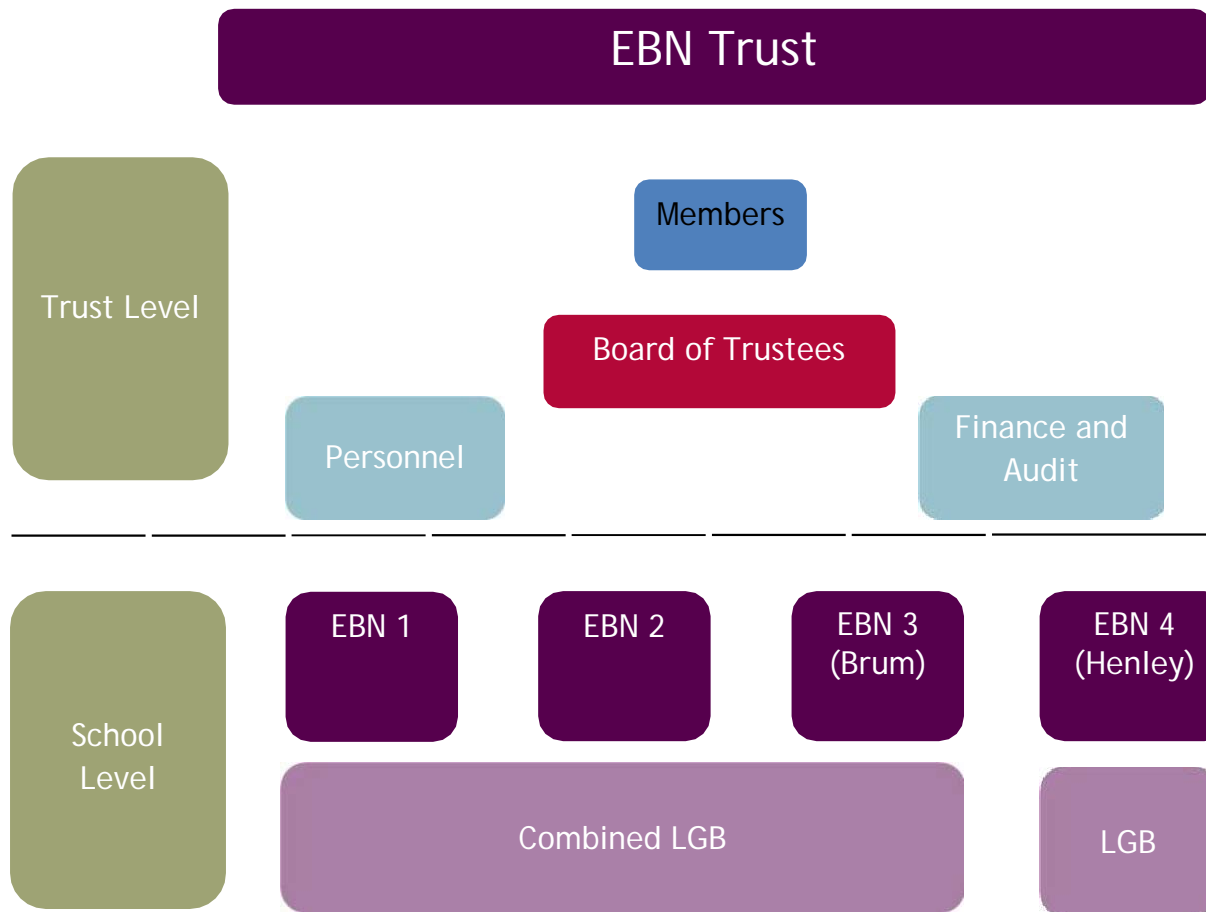
The proposed structure in this report addresses these issues and ensures that there is accountability between the various governance layers and an appropriate level of scrutiny.

We have divided this report into three sections:

- Proposed Governance Structure;
- Governance Arrangements;
- Approach to Delegation.

7 March 2016

EBN Trust – Governance model

EBN Trust

Trust Level

Members

Board of Trustees

Personnel

Finance and Audit

School Level

EBN 1

EBN 2

EBN 3 (Brum)

EBN 4 (Henley)

Combined LGB

LGB

key features:

- *Members can be considered as the custodians of the Trust – they have a hands-off role in terms of managing the Trust and act as a 'check and balance' on the performance of the Trust.*

- *Trustees have strategic oversight and ultimate responsibility for all management decisions within the Trust academies.*

- *A Local Governing Body (LGB) may be established by the Trustees of the Trust for each academy or a combined LGB for more than one academy.*

- *The LGB plays a support & challenge role for Academy's senior leadership team on day to day management of the Academy.*

EBN Academy

EBN Trust – governance arrangements
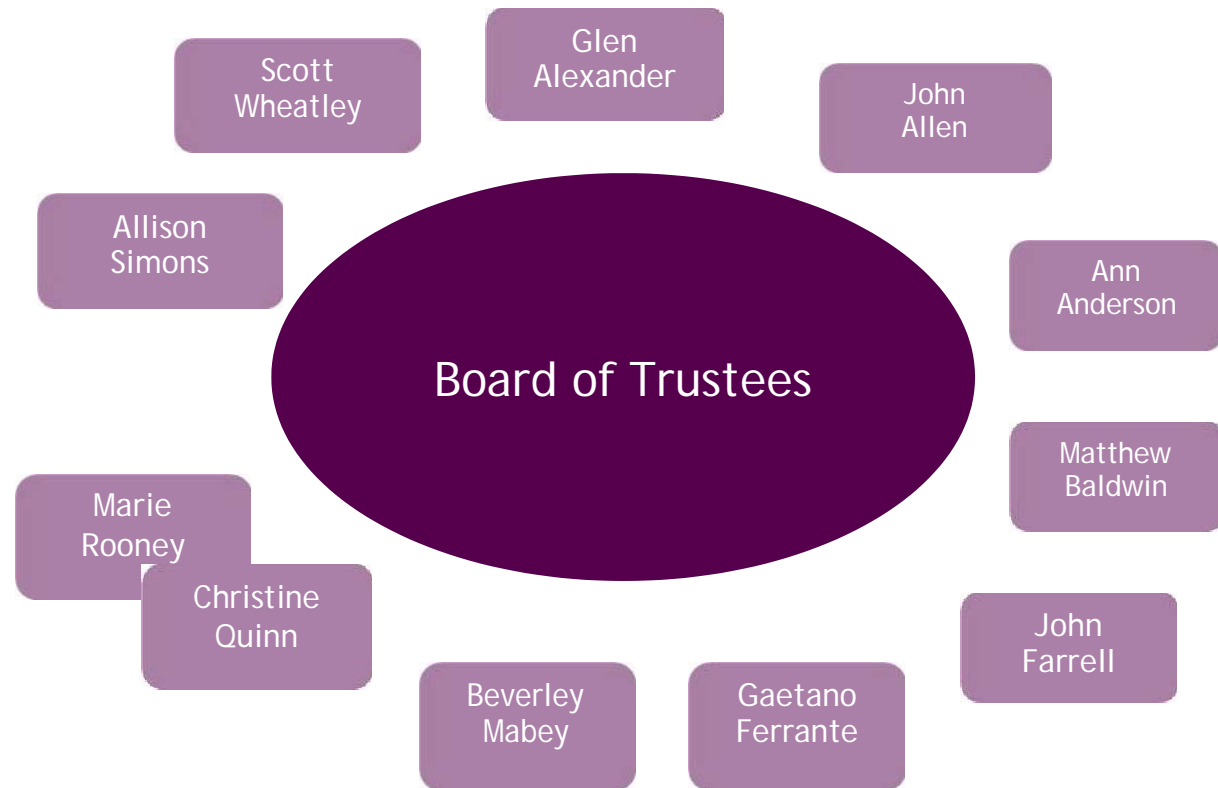
Members

- *We understand that these are EBN Trust's 5 current members and that membership of the Trust is not proposed to change.*

- *The Members are able to appoint up to 6 trustees to the board of the Trust.*

- *Members rights are enshrined in Company law and Members may:*

  - *wind up the Trust;*
  - *amend the articles of association*
  - *appoint trustees*
  - *remove any trustee.*

- *In the event that the Trust is wound up without enough assets to satisfy its creditors, each Member would be liable to pay up to £10 towards these debts.*

- *Future Members will be appointed by the Existing Members.*

Mandy McCrohan

Gaetano Ferrante

Members

Ann Anderson

Sian Hartle

Harry French
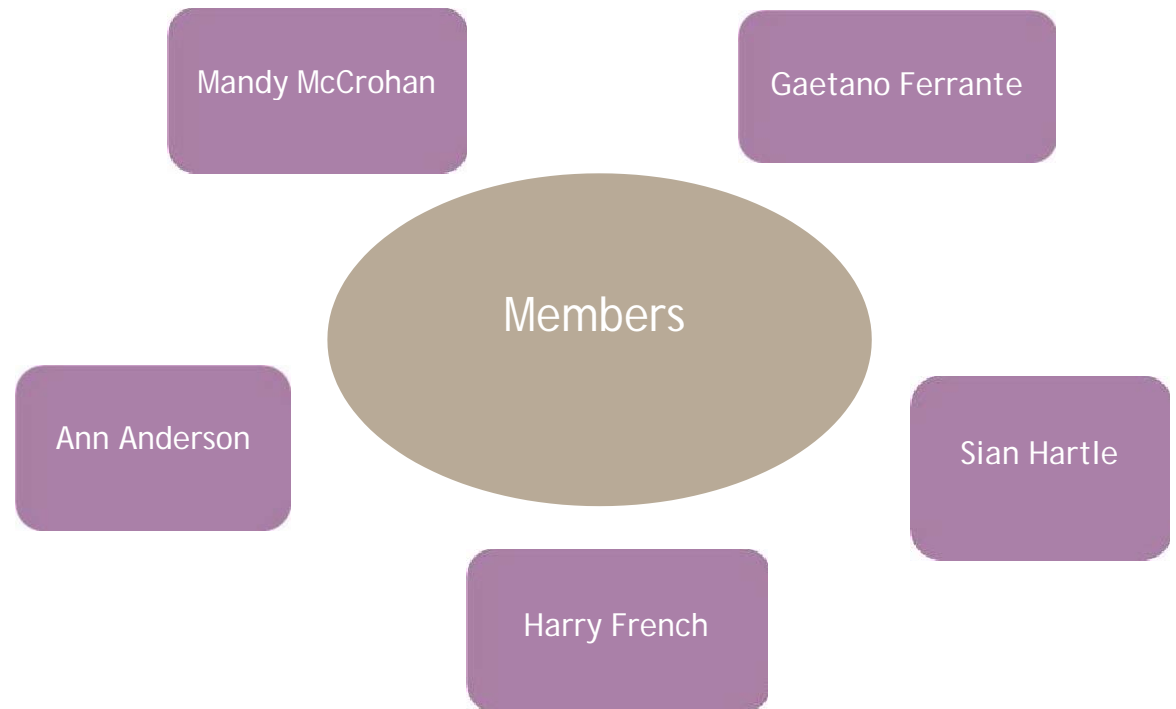
EBN trust – governance arrangements

MAT board of trustees

- *Trustees are responsible for the management and administration of the Trust and are accountable to the Members who act as a 'check and balance' on the performance of the Trust (see Approach to Delegation).*

- *EBN Trust's structure has:*
  - *up to 6 trustees appointed by the members*
  - *the Executive Principal*
  - *a minimum of 2 parent trustees UNLESS there are 2 parents on each Local Governing Body; and*
  - *any co-opted trustee (appointed by the existing trustees).*

- *EBN currently has a board of 11. As the strategic body, responsible for the oversight and management of 4 academies, the DfE recommend small, skill-based boards with powers delegated to LGBs. NB there cannot be more than 1/3 staff on the Board of Trustees.*

- *Each Academy may have a LGB or a shared LGB (see Approach to Delegation).*

- *The Board may also have sub-committees (which must comprise of a majority of trustees), e.g.*
  - *Audit (annual audit and risk management)*
  - *Personnel, Pay & Performance*
  - *Standards Committee.*

Scott Wheatley

Glen Alexander

John Allen

Allison Simons

Ann Anderson

Board of Trustees

Matthew Baldwin

Marie Rooney

Christine Quinn

John Farrell

Beverley Mabey

Gaetano Ferrante

EBN Trust – governance arrangements

Local Governing Body

- *The Local Governing Body is responsible for making day to day decisions on the operation of their relevant Academy, by way of the powers delegated to it by the Trustees in accordance with appropriate terms of reference.*

- *EBN Trust could have one LGB for the 3 free schools in Birmingham and one for the free school in Henley. LGBs can report to the Executive Principal who can merge the reports and update the Board of Trustees on each Academy.*

- *Level of financial contribution from individual Academy's GAG to central operating costs can be varied according to performance so that high performing Academies that receive less central support have a lower contribution to central costs*

- *The model overleaf is simply an example model which comprises of:*
  - *Chair*
  - *2 elected parent governors*
  - *Executive Principal, Head of School and 1 other elected staff governor*
  - *4 community governors appointed by the Board of Trustees*

Community Governor

Community Governor

Community Governor

Community Governor

Parent Governor

Parent Governor

Local Governing Body

Chair

Staff Governor

Head Of School

Executive Principal

EBN Academy

EBN Trust – approach to delegation

Board of Trustees

Strategic oversight, setting visions and policies for the Trust, governance, contractual relationships with third parties

Vision and Accountability
- setting out the vision for the Trust and its application at both Trust and academy levels
- determination of corporate strategy and planning
- compliance with all legislation, charity and company law
- compliance with Articles & Funding Agreements determining the admissions policy and arrangements for each academy (in accordance with the law and DfE codes of practice)
- setting HR policies and procedures (as legal employer of all staff), developing appropriate terms and conditions of service with each academy, including the performance management policy and pay policy
- setting other Trust wide policies such as health & safety, CRB etc
- oversight of public relations activities to project the activities of the Trust and the academies to the wider community

Standards
- oversight of standards and outcomes across the Trust
- annual target setting for the Trust in general and for individual academies
- regular reviews of performance across the Trust
- support and intervention strategies for individual academies
- oversight of key performance data on a Trust and individual academy basis
- power to withdraw delegated powers from a Local Governing Body and, if necessary, disband it

Local Governing Body

Day to day running of the academy, carrying the Trust's vision, policies and priorities forward, holding academy leadership to account

Vision and Accountability
- carry forward the Trust's vision
- implementation of actions required to comply with legislation and the funding agreement
- implementation of policies and plans agreed by the Board (e.g. admissions, CRBs and the academy's financial plan)
- establishing appropriate committees in line with the articles of association and appointing lead governors to have oversight of key areas such as SEN, Safeguarding and Health and Safety
- oversight of the curriculum and curriculum policies to meet statutory requirements where required

Standards
- holding academy SLT to account for academic performance, quality of care & provision
- setting ambitious annual targets for performance and regularly reviewing progress towards their achievement
- oversight of the quality of teaching and learning across the academy with detailed knowledge of strengths and weakness
- ensuring that the academy has appropriate intervention and support strategies in place to deliver high quality teaching and learning in all areas
- overseeing the distribution and effectiveness of pupil premium funding
- monitoring academy data

EBN Academy

EBN Trust – approach to delegation

Appointments and training

- ensuring processes in place for appointment of Trustees and Governors of Local Governing Bodies
- appointing the Principals (in consultation with the Local Governing Body), the clerk to the Local Governing Body and the Responsible Officer
- responsibility for the performance management of the CEO and the Principals (in consultation with the LGB)
- appointment and oversight of cross academy staff
- training and evaluating the Trustees & Governors

Finances

- overseeing the finances of the Trust and the academies
- establishing a funding model for use across the Trust and the academies
- agreeing each academy's annual budgets (in consultation with the Local Governing Body)
- compliance with Academies Financial Handbook
- oversight of finances of each academy
- the development of a revenue generation policy
- determination after consultation with each academy the extent of services provided centrally to the academy and the allocation of cost
- oversight of the effectiveness of the delivery of centrally provided services
- establishing processes for local management & maintenance of assets and appropriate registers

Appointments and training

- monitoring local HR activity and policy, e.g. ensuring the process for local performance reviews of staff is within the parameters for the particular academy
- managing the employment and performance management of all staff employed by the academy and managing disciplinary matters in accordance with the set policy
- considering whether any changes are required to staff terms and conditions (making the amends required with the consent of the Board)
- raising concerns if it is felt that appropriate training and development is not being provided
- Governors take part in regular self-review

Finances

- seeking value for money and ensuring resources are applied appropriately at academy-level
- monitoring and reviewing expenditure regularly
- delivery of income generation activities
- maintaining proper accounting records and preparing expenditure and balance sheets as required
- notifying the Trust of any changes to fixed assets used by the academy
- supporting the Board in relation to the annual budgetary process
- manage the academy's cash flow
- observing proper levels of delegations & protocols

EBN Academy