

## The Church of England Articles of Association for Multi-Academy Trusts

### Frequently Asked Questions (FAQs)

#### 1. What are Articles of Association?

The Articles of Association (AoA) is the key document that specifies the regulations for a company's operations and defines the company's purpose.

The AoA sets out how the 'objects' (the aims and purpose of the academy trust) and the process for appointing the Members (akin to shareholders) and directors (known as trustees). The AoA also states how the company will manage its financial procedures and any conflict of interests in this area.

#### 2. Why are they important?

The Articles of Association are required by both Companies House and for charitable organisations by the Charity Commission. They provide a framework for the operation of the company which complies with company and charity law.

They are a public record and should be available to any person wishing to find out more about the company. The Department for Education (DFE) require academy trusts to publish them on the trust website.

#### 3. What are the role of Members?

The Members of the academy trust are the individuals or corporate bodies (for example the Bishop of Guildford or the Guildford Diocesan Education Trust (GDET) who appoint the trustees of the academy trust company. The AoA state that there must be at least 3 Members but it is possible to appoint five (or more) Members.

The Members role is similar to shareholders. Their job is to ensure that the academy trust fulfils the objects of the trust set out in the AoA. Members have the power to appoint and remove trustees. The Trustees are accountable to the Members for the strategic direction of the academy trust. The role of the Member is to be 'eyes on, hands off' and they should not act in a way that interferes with the operation of the academy trust or become 'shadow directors'.

The DFE prefer that Members and Trustees are separate and that individuals do not act as both Members and Trustees. The exception to this is that the AoA allow for the Chair of Trustees to be a Member and this can be a useful conduit between the two layers of governance.

The new AoA for Church of England academy trusts allow for an equal number of Members appointed by the Diocese and through other routes such as the local community. See more on this in question 5.

#### **4. What are the role of trustees (directors)?**

The trustees of academy trusts are both charity trustees and company directors. The trustees are appointed by the Members.

The trustees are responsible for the strategic leadership of the academy trust including the vision and organisational culture including how governance functions are delegated to sub-committees including a local governing committee for each school.

Trustees are also responsible for overall accountability and assurance: the board should have robust effective oversight of the operations and performance of the academy trust, including the provision of education, pupil welfare, overseeing and ensuring appropriate use of funding and effective financial performance and keeping their estate safe and well maintained

Trustees are also responsible for Engagement: the board has strategic oversight of relationships with stakeholders. The board involves parents, schools and communities so that decision-making is supported by meaningful engagement.

#### **5. Why are the Members and Trustees considering adopting a new set of Articles of Association?**

The Church of England has recently reviewed its position in relation to Church school academy conversions and has agreed a new set of Articles of Association (AoAs) which can be approved by the Diocesan Board of Education (DBE) for use by MATs that wish to take both VA and VC Church schools.

The new AoAs allow existing MATs and new MATs under Clause 15A to appoint additional Members which allow for an equal number of Diocesan Members and Members appointed through other routes such as the local community.

Trusts currently with minority AoAs that wish to adopt the new equity AoAs, would be able to accept VC and VA schools, thus providing access to a larger number of Church schools within a Diocese. This would also afford opportunities for academy trusts to bring together clusters of

mixed VA, VC and Community schools in the same geographical areas and giving more potential for MATs to create local schools hubs as they expand.

**6. If there are an equal number of Members, what happens if the Members disagree on a significant decision that might affect the future of the Trust?**

The Diocesan Board of Education (DBE) has taken legal advice on this scenario and our legal advisors have recommended that the Members agreement (which is already in place between the Members) should set out what should happen if the Members fail to agree on a significant matter.

On matters related to the Christian character of Church schools and the religious designation of Church schools, the DBE (as the religious authority) would expect to issue guidance to the Members which would address any concerns (for example if a Church school failed its SIAMS inspection).

On other matters, such as school performance, financial concerns or ineffective governance by the trustees, the Department for Education, acting through the Regional Director, has the power to terminate the funding agreement or issue a warning notice to the trust. In the most severe cases, the Articles of Association allow the DFE to appoint additional trustees under Clause 50C.

The Members agreement is only used if the Members are unable to agree or pass an ordinary or special resolution. It should be seen as the last resort by Members rather than a document which has primacy over the AoA.

**7. How are the Members appointed under the new AoA?**

The DBE through its umbrella trust, GDET, will appoint Members to the trust under the new AoA as it does now. The Diocesan Corporate Member (DCM) will be a Member and appoint the Diocesan Director of Education to be its representative. The Members can then appoint additional Members under Clause 15A with the consent of the Diocesan Corporate Member (DCM) to provide a balance of Diocesan and non-diocesan members. It is envisaged that to keep the number of Members manageable, 6 Members are appointed in total, 3 appointed by the Diocese and 3 additional Members.

Current Members of an academy trust can recommend individuals to be appointed as Members or existing Members can be redesignated as GDET appointed Members, if they are willing to take on this route of appointment.

All Members, regardless of their route of appointment, are required under the AoA to commit to signing a declaration to support the object of the academy trust.

#### **8. How are trustees appointed under the new AoA?**

The new AoAs require a minimum of 3 trustees with no maximum number, of which at least 3 trustees must be appointed by the Diocese through GDET. The number of trustees appointed by the Members under Clause 50 (ordinary trustees) and 50A (GDET trustees) must exceed the other types of trustees (parents, staff and co-opted trustees) by a majority of at least two.

It is envisaged that all of the existing trustees would continue and only if needed, would the Diocese appoint additional trustees if requested by the Members.

#### **9. What are ordinary and special resolutions?**

The AoA refers to the use of ordinary and special resolutions. Examples of ordinary resolutions would be the appointment of additional trustees or the removal of trustees by the Members. Special resolutions are more significant. This includes the appointment and removal of Members, a change in the AoA or a change in the objects of the Trust.

#### **10. What are the timescales for these changes and when can the new AoA be adopted?**

The DBE approved the use of the new AoA on the 21<sup>st</sup> November 2023 and therefore MAT Members and Trustees can vote to adopt the new AoA by special resolution. Once this decision has been made, the DDE will assist the Members with the legal work required to adopt the new AoAs and appoint the additional Members and if requested, additional trustees. It is anticipated that this could be completed within a couple of months after the special resolution is made by the Members.

**Canon (Mr) Alex Tear**  
**Diocesan Director of Education**

**December 2023**