

**TAUHEEDUL EDUCATION TRUST**

**DEED OF VARIATION OF FUNDING AGREEMENT  
MARCH 2016**

The Parties to this Deed are:

(1) **The Secretary of State for Education** of Sanctuary Buildings, Great Smith Street, London SW1P 3BT (the "**Secretary of State**");

- and -

(2) Tauheedul Education Trust, a charitable company formerly known as "Tauheedul Free Schools Trust" incorporated in England and Wales with registered company number 07353849 whose registered address was at 31 Bicknell Street, Blackburn and is now at Shadsworth Road, Blackburn, Lancashire, BB1 2HT (the "**Company**").

together referred to as the "**Parties**".

## **INTRODUCTION**

A.

- i. The Parties have entered into a master funding agreement on 10 September 2012
- ii. (ii)The Parties subsequently agreed to replace the said Master Funding Agreement with a Further Master Funding Agreement dated 19 August 2013 ("the 2013 MFA"). The terms of the 2013 MFA were amended and restated by Deed of Variation dated 10 December 2013.
- iii. The Parties subsequently agreed to amend and restate the 2013 MFA by Deed of Variation dated 22 July 2014 to form a multi academy trust operating faith and non-faith Academies ("the 2014 DoV) which resulted in a new Master Funding Agreement dated 22 July 2014 ("the 2014 MFA"). A copy of the 2014 MFA and 2014 Dov are contained in Schedule A to this Agreement and together they shall be known as the "**Existing MFA**").
- iv. The parties have agreed to amend and restate the terms of the Existing MFA, in accordance with the terms of this Deed.

### The Parties

- B. The Parties have entered into a supplementary funding agreement in respect of the **Olive School Blackburn** on 19 August 2013, a copy of which is contained in Schedule B (the "**Existing Olive School Blackburn SFA**");
- C. The Parties have entered into a supplementary funding agreement in respect of the **Olive School Hackney** on 19 August 2013, a copy of which is contained in Schedule C (the "**Existing Olive School Hackney SFA**");
- D. The Parties have entered into a supplementary funding agreement in respect of the **Tauheedul Islam Boys' High School** on 5 August 2014, a copy of which is contained in Schedule D (the "**Existing Tauheedul Islam Boys' High School SFA**");
- E. The Parties have entered into a supplementary funding agreement in respect of the **Eden Girls' School, Slough** on 23 March 2015, a copy of

which is contained in Schedule E (the "**Existing Eden Girls' School, Slough SFA**");

- F. The Parties have entered into a supplementary funding agreement in respect of the **Eden Boys' School, Bolton** on 5 August 2014, a copy of which is contained in Schedule F (the "**Existing Eden Boys' School, Bolton SFA**");
- G. The Parties have entered into a supplementary funding agreement in respect of the **Eden Girls' School, Coventry** on 5 August 2014, a copy of which is contained in Schedule G (the "**Existing Eden Girls' School, Coventry SFA**");
- H. The Parties have entered into a supplementary funding agreement in respect of the **Eden Girls' School, Waltham Forest** on 5 August 2014, a copy of which is contained in Schedule H (the "**Existing Eden Girls' School, Waltham Forest SFA**");
- I. The Parties have entered into a supplementary funding agreement in respect of the **Eden Boys' School, Birmingham** on 18 March 2015, a copy of which is contained in Schedule I (the "**Existing Eden Boys' School, Birmingham SFA**");
- J. The Parties have entered into a supplementary funding agreement in respect of the **Eden Boys' School, Preston** on 23 March 2015, a copy of which is contained in Schedule J (the "**Existing Eden Boys' School, Preston SFA**");
- K. The Parties have entered into a supplementary funding agreement in respect of the **Tauheedul Islam Girls' High School** on 28 November 2014, a copy of which is contained in Schedule K (the "**Existing Tauheedul Islam Girls' High School SFA**");
- L. The Parties have agreed to amend and re-state the terms of the Existing MFA, the Existing SFAs listed above in paragraphs B to M, on the terms set out in this Deed.

#### **LEGAL AGREEMENT**

- 1. Words, expressions and interpretations used in this Deed shall, unless the context expressly requires otherwise, have the meaning given to them in, and shall be interpreted in accordance with, the Amended Master Funding Agreement (as defined in clause 2 below).
- 2. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing MFA shall be amended and re-stated in the form of the Master Funding Agreement set out in Schedule N (the "**Amended Master Funding Agreement**"). For the avoidance of doubt, the Amended Master Funding Agreement does not terminate or suspend the Existing MFA but amends and re-states it.
- 3. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing Olive School Blackburn SFA shall be amended and re-stated in the form of the Amended Olive School Blackburn SFA set out in Schedule O (the "**Amended Olive School**

**Blackburn SFA**"). For the avoidance of doubt, the Amended Olive School Blackburn SFA does not terminate or suspend the Existing Olive School Blackburn SFA but amends and re-states it.

4. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing Olive School Hackney SFA shall be amended and re-stated in the form of the Amended Olive School Hackney SFA set out in Schedule P (the "**Amended Olive School Hackney SFA**"). For the avoidance of doubt, the Amended Olive School Hackney SFA does not terminate or suspend the Existing Olive School Hackney SFA but amends and re-states it.
5. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing Tauheedul Islam Boys' High School SFA shall be amended and re-stated in the form of the Amended Tauheedul Islam Boys' High School SFA set out in Schedule Q (the "**Amended Tauheedul Islam Boys' High School SFA**"). For the avoidance of doubt, the Amended Tauheedul Islam Boys' High School SFA does not terminate or suspend the Existing Tauheedul Islam Boys' High School SFA but amends and re-states it.
6. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing Eden Girls' School, Slough SFA shall be amended and re-stated in the form of the Amended Eden Girls' School, Slough SFA set out in Schedule R (the "**Amended Eden Girls' School, Slough SFA**"). For the avoidance of doubt, the Amended Eden Girls' School, Slough SFA does not terminate or suspend the Existing Eden Girls' School, Slough SFA but amends and re-states it.
7. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing Eden Boys' School, Bolton SFA shall be amended and re-stated in the form of the Amended Eden Boys' School, Bolton SFA set out in Schedule S (the "**Amended Eden Boys' School, Bolton SFA**"). For the avoidance of doubt, the Amended Eden Boys' School, Bolton SFA does not terminate or suspend the Existing Eden Boys' School, Bolton SFA but amends and re-states it.
8. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing Eden Girls' School, Coventry SFA shall be amended and re-stated in the form of the Amended Eden Girls' School, Coventry SFA set out in Schedule T (the "**Amended Eden Girls' School, Coventry SFA**"). For the avoidance of doubt, the Amended Eden Girls' School, Coventry SFA does not terminate or suspend the Existing Eden Girls' School, Coventry SFA but amends and re-states it.
9. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing Eden Girls' School, Waltham Forest SFA shall be amended and re-stated in the form of the Amended Eden Girls' School, Waltham Forest SFA set out in Schedule U (the "**Amended Eden Girls' School, Waltham Forest SFA**"). For the avoidance of doubt, the Amended Eden Girls' School, Waltham Forest SFA does not terminate or suspend the Existing Eden Girls' School, Waltham Forest SFA but amends and re-states it.
10. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing Eden Boys' School, Birmingham SFA shall be amended and re-stated in the form of the Amended Eden Boys' School, Birmingham SFA set out in Schedule V (the "**Amended Eden**



**Boys' School, Birmingham SFA**"). For the avoidance of doubt, the Amended Eden Boys' School, Birmingham SFA does not terminate or suspend the Existing Eden Boys' School, Birmingham SFA but amends and re-states it.

12. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing Eden Boys' School, Preston SFA shall be amended and re-stated in the form of the Amended Eden Boys' School, Preston set out in Schedule W (the "**Amended Eden Boys' School, Preston SFA**"). For the avoidance of doubt, the Amended Eden Boys' School, Preston SFA does not terminate or suspend the Existing Eden Boys' School, Preston SFA but amends and re-states it.
13. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing Tauheedul Islam Girls' High School SFA shall be amended and re-stated in the form of the Amended Tauheedul Islam Girls' High School SFA set out in Schedule X (the "**Amended Tauheedul Islam Girls' High School SFA**"). For the avoidance of doubt, the Amended Tauheedul Islam Girls' High School SFA does not terminate or suspend the Existing Tauheedul Islam Girls' High School SFA but amends and re-states it.

#### **GOVERNING LAW AND JURISDICTION**

3. This Deed, and any dispute or claim arising out of or in connection with it, its subject matter or formation (including non-contractual disputes or claims) shall be governed by and interpreted in accordance with the law of England and Wales.
4. The Parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this deed or its subject matter or formation (including non-contractual disputes or claims).

#### **COUNTERPARTS**

5. This Deed may be executed in any number of counterparts and by the parties to it on separate counterparts, each of which when so executed and delivered shall be an original, but all the counterparts shall together constitute one and the same instrument.

**IN WITNESS** whereof this Deed has been executed by the parties hereto and is intended to be and is hereby delivered on the last date listed below.

**EXECUTED** as a deed by affixing the corporate  
seal of the **Secretary of State for Education**  
authenticated by:- )  
)  
)



*[Handwritten signature]*

.....  
Duly authorised by the Secretary of State for Education

Date 31 March 2016

**EXECUTED** as a deed by  
**Tauheedul Education Trust**  
acting by:

*[Handwritten signature]*

.....  
Director

Print name HANID PATEL

Date .....

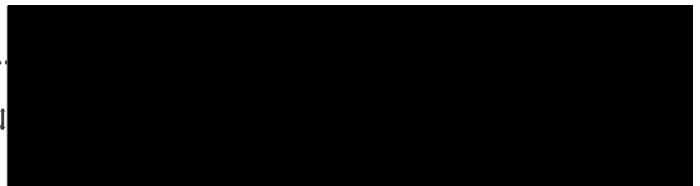
Witnessed by .....

*[Handwritten signature]*  
Signature

Full name KATHRYN CHORLTON

Address..

Occupati



**Schedule A**

**Existing MFA**

**Schedule B**

**Existing Olive School Blackburn SFA**

**Schedule C**

**Existing Olive School Hackney SFA**

**Schedule D**

**Existing Tauheedul Islam Boys' High School SFA**

**Schedule E**

**Existing Eden Girls' School, Slough SFA**

**Schedule F**

**Existing Eden Boys' School, Bolton SFA**

**Schedule G**

**Existing Eden Girls' School, Coventry SFA**

**Schedule H**

**Existing Eden Girls' School, Waltham Forest SFA**

**Schedule I**

**Existing Eden Boys' School, Birmingham SFA**

**Schedule J**

**Existing Eden Boys' School, Preston SFA**

**Schedule K**

**Existing Tauheedul Islam Girls' High School SFA**

**Schedule N**

**Amended Master Funding Agreement**

**Schedule O**

**Amended Olive School Blackburn SFA**

**Schedule P**

**Amended Olive School Hackney SFA**

**Schedule Q**

**Amended Tauheedul Islam Boys' High School SFA**

**Schedule R**

**Amended Eden Girls' School, Slough SFA**

**Schedule S**

**Amended Eden Boys' School, Bolton SFA**

**Schedule T**

**Amended Eden Girls' School, Coventry SFA**

**Schedule U**

**Amended Eden Girls' School, Waltham Forest SFA**

**Schedule V**

**Amended Eden Boys' School, Birmingham SFA**

**Schedule W**

**Amended Eden Boys' School, Preston SFA**

**Schedule X**

**Amended Tauheedul Islam Girls' High School SFA**

**TAUHEEDUL EDUCATION TRUST**

**DEED OF VARIATION OF FUNDING AGREEMENT**

22<sup>nd</sup> July 2014

The Parties to this Deed are:

- (1) **The Secretary of State for Education** of Sanctuary Buildings, Great Smith Street, London SW1P 3BT (the **"Secretary of State"**); and
- (2) **Tauheedul Education Trust**, a charitable company formerly known as "Tauheedul Free Schools Trust" incorporated in England and Wales with registered company number 07353849, whose registered office is at 31 Bicknell Street, Blackburn BB1 7EY (the **"Company"**)

together referred to as the **"Parties"**

## **INTRODUCTION**

- A.
  - (i) The Parties entered into a Master Funding Agreement on 10 September 2012.
  - (ii) The parties subsequently agreed to replace the said Master Funding Agreement with a further Master Funding Agreement dated 19 August 2013 ("the 2013 MFA").
  - (iii) The terms of the 2013 MFA were amended and restated by Deed of Variation dated 10 December 2013 ("the 2013 DoV"). A copy of the 2013 MFA and the 2013 DoV are contained in Schedule A to this Agreement, and together they shall be known as the **"Existing MFA"**.
- B. The Parties have agreed to amend and restate the terms of the Existing MFA, in accordance with the terms of this Deed to form a multi academy trust operating faith and non-faith Academies.
- C. The Company intends to establish and maintain and to carry on or provide for the carrying on of a number of Academies in accordance with the Master Funding Agreement (as defined in clause 2 below) and any agreement entered into between the Parties which is supplemental to it

## **LEGAL AGREEMENT**

1. Words, expressions and interpretations used in this Deed shall, unless the context expressly requires otherwise, have the meaning given to them in, and shall be interpreted in accordance with, the Master Funding Agreement (as defined in clause 2 below).
2. The Secretary of State and the Company agree that with effect from the date of this Deed, the Existing MFA shall be amended and restated in the form of

the Master Funding Agreement contained in Schedule B (the "**Master Funding Agreement**").

### **GOVERNING LAW AND JURISDICTION**

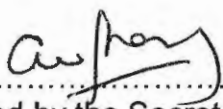
3. This Deed, and any dispute or claim arising out of or in connection with it, its subject matter or formation (including non-contractual disputes or claims) shall be governed by and interpreted in accordance with the law of England and Wales.
4. The Parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this deed or its subject matter or formation (including non-contractual disputes or claims).

### **COUNTERPARTS**

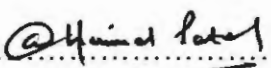
5. This Deed may be executed in any number of counterparts and by the parties to it on separate counterparts, each of which when so executed and delivered shall be an original, but all the counterparts shall together constitute one and the same instrument.

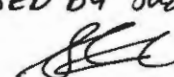
IN WITNESS whereof this Deed has been executed by the parties hereto and is intended to be and is hereby delivered on the last date listed below.

EXECUTED as a deed by affixing the corporate )  
seal of the **Secretary of State for Education** )  
authenticated by:- )

  
.....  
Duly authorised by the Secretary of State for Education  
Date 22<sup>nd</sup> July 2014 .....

EXECUTED as a deed by **Tauheedul Education**  
Trust acting by:

  
.....  
Director  
Print name Hamid Patel ....  
Date .....

WITNESSED BY SUZANNE CHURCH  


.....  
Director/Secretary  
Print name ....  
Date .....



**SCHEDULE A**  
**TAUHEEDUL EDUCATION TRUST**  
**EXISTING MFA**

**SCHEDULE B**  
**TAUHEEDUL EDUCATION TRUST**  
**MASTER FUNDING AGREEMENT**

**TAUHEEDUL FREE SCHOOLS TRUST**

**MASTER FUNDING AGREEMENT**

**19 August 2013**

**TAUHEEDUL FREE SCHOOLS TRUST**

**MASTER FUNDING AGREEMENT**

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## **ANNEXES TO THE MASTER FUNDING AGREEMENT**

Memorandum and Articles of the Company

Annex A

Arrangements for pupils with SEN and disabilities  
at each Free School – for Mainstream Free Schools,  
and alternative provision Free Schools only

Annex B

## INTRODUCTION

- 1) This Agreement is made under Section 1 of the Academies Act 2010, between the Secretary of State for Education ("the Secretary of State") and Tauheedul Free Schools Trust (the "Company").
- 2) The Company is a company incorporated in England and Wales, limited by guarantee with registered Company number 07353849.
- 3) The Company intends to establish and maintain, and to carry on or provide for the carrying on of a number of Academies in accordance with this Agreement and the Supplemental Agreements.
- 4) This Agreement and the Supplemental Agreements will apply in respect of an Academy from such time as a Supplemental Agreement relating to that Academy shall have been entered into between the Secretary of State and the Company.
- 4A) This Agreement will supersede and replace the existing Master Funding Agreement dated 10 September 2012 between the Secretary of State and the Company ("2012 Master Funding Agreement") and from the date of this Agreement the 2012 Master Funding Agreement shall cease to have effect.
- 5) The following expressions used in this Agreement have the respective meanings assigned to them by the numbered clauses of this Agreement referred to immediately after the reference to the expressions -
  - a) "Academies Financial Handbook" - clause 67;
  - b) "Accounting Officer" – clause 66;
  - c) "Annual Letter of Funding" - clause 60;
  - d) "GAG" – clause 36;
  - e) "Capital Expenditure" - clause 37;
  - f) "Capital Grant" – clause 37;

- g) "EAG" - clause 36;
  - h) "Local Governing Body" – clause 15;
  - i) Not used;
  - j) "Recurrent Expenditure" – clause 36;
  - k) "Statemended Pupils" – clause 18A and paragraph 3(i), (ii) and (iii) of Annex A to the Supplemental Agreement.
- 6) In this Agreement the following words and expressions shall have the following meanings:-

"Academy Financial Year" means the year from 1<sup>st</sup> September to 31<sup>st</sup> August or such other period as the Secretary of State may from time to time specify by notice in writing to the Company;

"Academy" means a Mainstream Free School, an alternative provision Free School, a Special Free School or a 16 to 19 Free School, in respect of which a Supplemental Agreement has been entered into between the Secretary of State and the Company and the expression "Academies" shall refer to all or any of such Free Schools;

"admission requirements" – are annexed to the relevant Supplemental Agreement;

"alternative provision Free School" means an Academy which meets the requirements set out in section 1C of the Academies Act 2010;

the "Articles" means the Articles of Association of the Company for the time being in force;

"this Agreement" means this agreement and its annexes and a reference in this Agreement to a numbered clause or annex is a reference to the clause or annex of this Agreement bearing that number or letter as the same may be amended or supplemented from time to time;



"Business Day" means any day other than a Saturday, Sunday, Christmas Day, Good Friday or a day which is a bank holiday with the meaning given to that expression in the Banking and Financial Dealings Act 1971;

"Commissioner" means local authorities and/or schools referring children/pupils to the alternative provision Free School for admission under the legal powers set out in the relevant annex to the Supplemental Agreement;

"Control" in relation to a body corporate ('Entity') means either the legal or beneficial ownership of 30 per cent or more of the issued shares in the Entity ordinarily having voting rights or the power of a person ('A') otherwise to secure –

- (a) either by means of the holding of shares in that Entity or having an interest conferring voting rights at general meetings of the membership of the Entity or of any other body corporate;
- (b) by virtue or any powers conferred by the Articles or other document regulating that Entity or any other Entity or partnership including, without limitation, the power to appoint or remove a majority of the directors thereof, or
- (c) by virtue of any agreement, understanding or arrangement between any person or persons,

that the affairs of the first-mentioned Entity are conducted in accordance with the wishes of A and 'Controls' shall be construed accordingly;

"DfE" means Department for Education and any successor;

"Free Schools" means all the types of Free Schools referred to in the definition of an "Academy";

"LA" means the Local Authority in the area in which the relevant Academy is situated;

"Mainstream Free School" means an Academy meeting the requirements referred to in clause 12;

"Memorandum" means the memorandum of association of the Company for the time being in force;

"parents" means parents or guardians;

"persons" includes a body of persons, corporate or incorporate;

"Principal" means the head teacher of an Academy;

"Principal Regulator" means the body or person appointed as the Principal Regulator under the Charities Act 2011;

"Pupil Referral Unit" means any school established in England and maintained by a local authority which is specially organised to provide education for children falling within section 19(1) of the Education Act 1996;

references to "school" shall where the context so admits be references to an Academy (except a 16 to 19 Free School);

references to "educational institution" shall where the context so admits be references to a 16 to 19 Free School;

references to "Secretary of State" shall where the context so admits be references to the EFA acting on the Secretary of State's behalf; and

"SEN" means special educational needs, and the expressions "special educational needs" and "special educational provision" have the meaning set out in section 312 of the Education Act 1996;

"SENCO" means Special Educational Needs Co-ordinator;

"Special Free School" means an Academy specially organised to make special educational provision for pupils with SEN;

"Statement of SEN" means a statement made under section 324 of the Education Act 1996;

"Studio School" means a type of Mainstream Free School, principally for pupils and students aged between 14 and 19, which places an emphasis on

such pupils and students obtaining employability skills through project based learning;

"Supplemental Agreement" means an agreement supplemental to this Agreement, substantially in the form of the relevant model supplemental funding agreement as published by the DfE at the time of entering into the Supplemental Agreement, to be entered into by the Secretary of State and the Company pursuant to which the Company agrees to establish and maintain, and to carry on or provide for the carrying on, and the Secretary of State agrees to fund, an Academy in accordance with the terms and conditions of that Supplemental Agreement and this Agreement;

"16 to 19 Free School" means an Academy which meets the requirements set out in section 1B of the Academies Act 2010.

7) The Interpretation Act 1978 shall apply for the interpretation of this Agreement and any Supplemental Agreement as it applies for the interpretation of an Act of Parliament.

8) Expressions defined in this Agreement shall have the same meaning where used in any Annex to this Agreement or Supplemental Agreement.

9) Questions arising on the interpretation of the arrangements in this Agreement shall be resolved by the Secretary of State after consultation with the Company.

10) Section 1 (3) of the Academies Act 2010 states that -

(3) An Academy agreement is an agreement between the Secretary of State and the other party under which -

(a) the other party gives the undertakings in subsection (5), and

(b) the Secretary of State agrees to make payments to the other party in consideration of those undertakings."

## **LEGAL AGREEMENT**

11) In consideration of the Company undertaking to establish and maintain, and to carry on or provide for the carrying on of a number of independent schools in England specially organised to make special educational provision for pupils with SEN ("the Special Free Schools") or meeting the requirements referred to in clause 12 ("the Mainstream Free Schools"), or meeting such requirements as referred to in clause 12D ("the alternative provision Free Schools") or meeting such requirements as referred to in clause 12E ("the 16 to 19 Free Schools"), the Secretary of State agrees to make payments to the Company in accordance with the conditions and requirements set out in this Agreement and Supplemental Agreements. If it is agreed between the Secretary of State and the Company that the Company will establish and maintain, and to carry on or provide for the carrying on of an Academy, the parties will enter into a Supplemental Agreement in relation to that Academy. For the avoidance of doubt, any obligations imposed upon or powers given to an Academy by this Agreement or any Supplemental Agreement are also imposed upon the Company.

## **REQUIREMENTS OF A MAINSTREAM FREE SCHOOL**

12) The requirements of a Mainstream Free School are those set down in Section 1A of the Academies Act 2010.

## **THE SEN OBLIGATIONS**

12A) In respect of Special Free Schools:

- a) The Company must comply with all of the obligations imposed upon the governing bodies of maintained special schools in Chapter 1 of Part 4 of the Education Act 1996 and in Regulations in force at the date of this agreement or made from time to time under any provision in that Chapter (as amended from time to time<sup>1</sup>).

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<sup>1</sup> Currently these duties are in section 313 (Duty to have regard to the Special Educational Needs Code of Practice 2001); section 317(5), (6) and (6A) (Duties in relation to the publication of information relating to arrangements and facilities for disabled pupils at the school); and 324(5)(b) (Duty to admit the child where a school is named in the statement); and the Education (Special

- b) Notwithstanding any provision in this Agreement, the Secretary of State may (whether following a complaint made to him or otherwise) direct the Company to comply with an obligation imposed by this Agreement where the Company has failed to comply with any such obligation.
- c) The Company must ensure that each Academy's website includes details of the arrangements for the admission of disabled pupils; the steps taken to prevent disabled pupils from being treated less favourably than other pupils; the facilities provided to assist access to the Academy by disabled pupils; and the plan prepared by the Company under paragraph 3 of Schedule 10 to the Equality Act 2010. Disabled pupils in this paragraph mean pupils who are disabled for the purposes of the Equality Act 2010<sup>2</sup>.

#### **ALTERNATIVE PROVISION FREE SCHOOL REQUIREMENTS**

12B) The alternative provision Free School requirements are those set down in Section 1C of the Academies Act 2010.

#### **16 TO 19 FREE SCHOOL REQUIREMENTS**

12C) The 16 to 19 Free School requirements are those set down in Section 1B of the Academies Act 2010.

#### **CONDITIONS OF GRANT**

##### **General**

13) Other conditions and requirements in respect of an Academy, unless specified otherwise in a Supplemental Agreement, are that:

- a) the Free School will be at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community;

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Educational Needs)(Information)(England) Regulations 1999 (S.I. 1999/2506). For the avoidance of doubt, the obligations in clause 12A of this agreement are in addition to any obligations imposed upon Academy proprietors directly in legislation or regulations.

<sup>2</sup> This obligation is in addition to the obligation to comply with the duties to publish information imposed upon the governing bodies of maintained special schools set out in the Education (Special Educational Needs) (Information) Regulations 1999 (as amended from time to time) which clause 12A has the effect of imposing.

b) at each Mainstream Free School and each Special Free School there will be assessments of pupils' performance as they apply to maintained schools (this will also apply to **alternative provision Free Schools** unless there are exceptional reasons to do otherwise), and the opportunity to study for qualifications in accordance with clause 30 (d); at each 16 to 19 Free School there will be assessment of students' performance appropriate to the qualifications offered and the opportunity to study for qualifications in accordance with clause 30 (d);

c) in respect of **Mainstream Free Schools**, and **Special Free Schools** (only in relation to Non-Statemented Pupils and subject to exceptions in Annex 1 to the relevant Supplemental Agreement), the admissions policy and arrangements for the school will be in accordance with admissions law, and the DfE Codes of Practice, as they apply to maintained schools; in respect of **alternative provision Free Schools** the admissions policy and arrangements for the school will be set out in the relevant annex to the Supplemental Agreement; and in respect of 16 to 19 Free Schools the admissions policy and arrangements for the educational institution will be fair, objective and transparent, in accordance with legal powers and duties in relation to 16 to 19 provision and with the requirements in clause 18F;

d) teachers' levels of pay and conditions of service at the Academies will be the responsibility of the Company;

e) there will be an emphasis on the needs of the individual pupils and students (and where relevant personal coaches will contribute to the needs of the individual pupils and students) including pupils with SEN, both those with and without Statements of SEN, and students with learning difficulties and disabilities;

f) there will be no charge to pupils (or their parents or guardians) or students (or their parents or guardians) in respect of admission to, or attendance at, the school or educational institution. Mainstream, Special and alternative provision Free Schools will only charge where the law allows maintained schools to



charge and 16 to 19 Free Schools will only charge where the law allows institutions within the further education sector to charge.

13A) Clause 13f) does not prevent the Company receiving funds from a local authority or a charity in respect of the admission of a pupil with special educational needs to an Academy.

13B) Clause 13f) does not prevent the Company receiving funds/income from Commissioners in respect of the admission and attendance of a pupil at the alternative provision Free School.

### **Governance**

14) Each Academy will be governed by the Company. The Company shall have regard to (but for the avoidance of doubt shall not be bound by) any guidance as to the governance of Academies that the Secretary of State may publish.

15) The Company shall establish, for each Academy, an Advisory Body, whose role shall be to provide advice to the Company in relation to the functioning of that Academy. The role of the Advisory Body and the membership of it shall be for the Company to decide, but the Company will, as a minimum, ensure that:

- a) a minimum of two parents of a pupil or a student at the Academy (to be elected by the parents of registered pupils or students of the Academy) shall be a member of the Advisory Body;

- b) not used;

- c) not used;

- d) any advice of the Advisory Body is brought to the attention of the Directors of the Company;

- e) to the extent that the Company may, in accordance with the Articles, choose to establish a Local Governing Body, then the Company may additionally constitute the Advisory Body as the Academy's Local Governing Body.

### **Conduct**

16) Each Academy shall be conducted in accordance with:

- a) the Articles;
- b) all provisions by or under statute which confer rights or impose obligations on Academies including, without limitation, the independent schools standards prescribed under section 157 of the Education Act 2002 to the extent they apply to the Academies, except that such independent school standards do not apply to any 16-19 Academies;
- c) the terms of this Agreement and the relevant Supplemental Agreement.

#### **Disclosure and Barring Service Checks**

17) In respect of each Mainstream Free School, alternative provision Free School, and Special Free School, the Company shall comply with the requirements of the Education (Independent School Standards) (England) Regulations 2010 (or such regulations as may for some time being be applicable) in relation to carrying out enhanced criminal records checks, obtaining enhanced criminal records certificates and making any further checks, as required and appropriate for members of staff, supply staff, individual Directors and the Chair of the Local Governing Body.

17A) In respect of each 16 to 19 Free School, the Company agrees to comply with any obligations that apply to it by virtue of provisions in the Safeguarding and Vulnerable Groups Act 2006 as may be amended from time to time in respect of, but not limited to, the performance of barred list checks.

17B) Further, in respect of each 16 to 19 Free School, the Company agrees to act in accordance with the Further Education (Providers of Education) (England) Regulations 2006 (SI 2006/3199) as may be amended or replaced from time to time as if the 16 to 19 Free School were a further education institution and subject to the following modifications:

- a) references to “the governing body of a further education institution” or to “the governing body” shall be treated as references to the Company;



- b) references to "a further education institution" or "the institution" shall be treated as references to the 16 to 19 Free School, except in regulations 9(1)(b) and 19(2)(a)(ii) where they shall have their normal meaning;
- c) the Company shall not have to comply with any of the requirements in relation to relevant staff qualifications specified in regulation 3(2), namely: regulations 5(3); regulation 17(1) only in so far as it relates to regulation 18(3); regulation 22 only in so far as it relates to paragraph 4 of Part 1 of the Schedule; and regulation 23 only in so far as it relates to paragraph 2(3) of Part 2 of the Schedule. For the avoidance of doubt, the relevant staff qualification requirements do not need to be met by members of staff at the 16 to 19 Free School; and
- d) references to "new member of staff" shall include individual Directors and the Chair of the Directors and in respect of them:
  - (i) the obligation to carry out an enhanced criminal record check as provided for at regulation 5(5) will apply whether or not their position will involve a relevant activity;
  - (ii) the reference in regulation 6 to "considering his suitability for a position that will involve a relevant activity" will be treated as a reference to considering his suitability for a position as a Director or Chair of the Directors as appropriate;
  - (iii) references to "beginning work at the further education institution" shall be treated as references to beginning work as a Director or Chair of the Directors as appropriate.

17C) The Company shall, on receipt of a copy of an enhanced criminal record certificate, on request from the Secretary of State or his agents, as soon as possible thereafter submit information contained in the certificate to the Secretary of State in accordance with section 124 of the Police Act 1997.

### **Secondary education provided to persons of compulsory school age**

17D) Where secondary education is provided to persons of compulsory school age by an Academy, the Company shall secure that, except in such circumstances described in clause 17E, no education is provided to a person who has attained the age of nineteen years in a room in which any persons of compulsory school age are for the time being receiving secondary education.

17E) (a) The circumstances referred to in clause 17D shall be that a teacher is present in the room.

(b) For the purposes of paragraph (a) a teacher shall be considered to be present in the room at a particular time even though no teacher is present if—

(i) it would be impracticable to secure the presence of a teacher in a room at that time, and

(ii) the absence of a teacher at that time has not lasted more than five minutes.

### **Pupils and Students**

18) Each Mainstream Free School will be an all ability inclusive school whose requirements for:

- a) the admission of pupils to the Academy are set out in the relevant annex to the Supplemental Agreement;
- b) the admission to the Academy of and support for pupils with SEN and with disabilities (for pupils who have and who do not have statements of SEN) are set out in Annex B to this Agreement;
- c) pupil exclusions are set out in regulations made by virtue of section 51A of the Education Act 2002 (as may be amended or modified from time to time, and includes any successor provisions).

18A) The planned number of Statemented Pupil places [and the age ranges] at each Special Free School (as set out in the Supplemental Agreement for each Special Free School (if applicable)) is/are not determinative of GAG. GAG at each Special Free School for each Academy Financial Year in respect of Statemented Pupils will be determined by the Secretary of State in accordance with clauses 53A and 54.

18B). Not used.

18C) Each Special Free School will be a special school whose requirements for:

- a) the admission of pupils to the Academy are set out in the relevant annex to the Supplemental Agreement;
- b) pupil exclusions are set out in regulations made by virtue of section 51A of the Education Act 2002 (as may be amended or modified from time to time, and includes any successor provisions).

18D) Where the Company considers that there is a need to increase the planned number of places (as referred to in clause 18A of this Agreement and as set out in the Supplemental Agreement for the relevant Special Free School (if applicable), the Company must seek the approval of the Secretary of State and the requirements of this Agreement and the Supplemental Agreement for the relevant Special Free School may be amended accordingly by agreement between the Secretary of State and the Company.

18E) The planned number of places and the age ranges at each alternative provision Free School (as set out in the Supplemental Agreement for each alternative provision Free School) are not determinative of GAG. GAG at each alternative provision Free School for each Academy Financial Year will be determined by the Secretary of State in accordance with clauses 54K and 54L. Each alternative provision Free School will provide education for the cohort of pupils whose characteristics are set out in the requirements at section 1C of the Academies Act and whose requirements for:

- a) the admission of pupils to the alternative provision Free School are set out in

the relevant annex to the Supplemental Agreement;

- b) the admission to the alternative provision Free School of and support for pupils with SEN and with disabilities (for pupils who have and who do not have statements of SEN) are set out in Annex B to this Agreement;
- c) pupil exclusions are set out in regulations made by virtue of section 51A of the Education Act 2002 (as may be amended or modified from time to time, and includes any successor provision(s)).

18F) Each 16 to 19 Free School will be an educational institution principally concerned with providing full-time or part-time education suitable to the requirements of persons over compulsory school age but under 19 whose requirements for:

- a) the admission of students to the 16 to 19 Free School;
- b) the admission to the 16 to 19 Free School of and support for students with learning difficulties and with disabilities; and
- c) student exclusions;

are set out in written policies to be agreed with the Secretary of State prior to the signing of the relevant Supplementary Funding Agreement. Such policies will be fair, objective and transparent, and will be formulated in accordance with the Company's legal powers and duties in relation to 16 to 19 provision and for the avoidance of doubt adherence to those policies forms part of this Agreement.

18G) In respect of any policies agreed in accordance with clause 18F:

- (i) The Secretary of State agrees that the Company may vary the policies subject to the Company informing the Secretary of State of any variation to the policies in writing as soon as reasonably practicable.
- (ii) The Company agrees to vary the policies as may become necessary to comply with changes to future legislation and/or as the Secretary of State may require.

### **Designated Teacher for Looked after Children**

18H) The Company will where applicable in respect of each of its Academies (except for 16 to 19 Free Schools) act in accordance with, and be bound by, all relevant statutory and regulatory provisions and have regard to any guidance and codes of practice issued pursuant to such provisions, as they apply at any time to a maintained school, relating to the designation of a person to manage the teaching and learning programme for children who are looked after by an LA and are registered pupils at the school. For the purpose of this clause, any reference to the governing body of a maintained school in such statutory and regulatory provisions, or in any guidance and code of practice issued pursuant to such provisions, shall be deemed to be references to the Directors of the Company.

### **Teachers and other staff**

19) In respect of Mainstream and alternative provision Free Schools:

a) subject to clause 19(b), the Company shall, in accordance with any guidance which the Secretary of State may issue on the qualifications of teaching and other staff in Academies, employ anyone it deems is suitably qualified or is otherwise eligible under a contract of employment or for services to carry out planning and preparing lessons and courses for pupils, delivering lessons to pupils, assessing the development, progress and attainment of pupils, and reporting on the development, progress and attainment of pupils.

b) clause 19(a) does not apply to anyone who:

- i) is appointed as the SENCO by the Company under section 317(3A) of the Education Act 1996, who must meet the requirements set out in Regulation 3 of the Education (Special Educational Needs Co-ordinators) (England) Regulations 2008 (SI 2008/2945); or
- ii) is appointed as a designated teacher for looked after children further to clause 18H.

20) In respect of **Special Free Schools** the Company shall not employ anyone under a contract of employment or for services to carry out planning and preparing lessons and courses for pupils, delivering lessons to pupils, assessing the development, progress and attainment of pupils, and reporting on the development, progress and attainment of pupils ("specified work") who is not either:-

- a) a qualified teacher within the meaning of regulations made under section 132 of the Education Act 2002; or
- b) otherwise eligible to do specified work under the Education (Specified Work) (England) Regulations 2012 (SI 2012/762), which for the purpose of this clause shall be construed as if the relevant Academy were a maintained school.

20 A.1) Clause 20 does not apply to anyone who:

- a) was transferred to the employment of the Company by virtue of the Transfer of Undertakings (Protection of Employment) Regulations 2006;
- b) immediately prior to the transfer, was employed to do specified work; and
- c) immediately prior to the transfer, was not:
  - i. a qualified teacher within the meaning of regulations made under section 132 of the Education Act 2002 and registered with full registration with the appropriate body, or
  - ii. eligible to do specified work under the Education (Specified Work) (England) Regulations 2012 (SI 2012/762) ("transferred staff member").

20 A.2) The Company shall use its best endeavours to ensure that any transferred staff member who undertakes specified work and does not meet the requirements of clause 20 A.1)(a) or clause 20A.1)(b) meets such requirements as soon as possible.



20B) In respect of 16 to 19 Free Schools, the Company shall, in accordance with any guidance which the Secretary of State may issue on the qualifications of teaching and other staff in Academies generally and 16 to 19 Academies or 16 to 19 Free Schools, in particular, employ anyone it deems is suitably qualified or is otherwise eligible under a contract of employment or for services to carry out planning and preparing lessons and courses for students, delivering lessons to students, assessing the development, progress and attainment of students, and reporting on the development, progress and attainment of students.

21) The Company shall ensure that all teachers employed at each Academy have access to the Teachers' Pension Scheme and, in so doing, will comply with the statutory provisions underlying the scheme.

22) The Company shall ensure that all employees at each Academy other than teachers have access to the Local Government Pension Scheme in accordance with the Local Government Pension Scheme (Administration) Regulations 2008 (SI 2008/239) (or such other regulations as may for the time being be applicable).

22A) Where a teacher employed at an Academy applies for a teaching post at another Academy, maintained school, school maintained by a local authority or institution within the further education sector, the Company must at the request of the governing body or Company of that other educational institution:

- a) advise in writing whether or not, in the preceding two years, there has been any formal consideration of that teacher's capability to perform their role at the Academy; and
- b) provide written details of the concerns which gave rise to any such consideration of that teacher's capability, the duration of the proceedings and their outcome.

#### **Curriculum, curriculum development and delivery and RE and collective worship**

23) Except at 16 to 19 Free Schools, the curriculum provided by each Academy to pupils up to the age of 16 shall be broad and balanced.

- b) the Company shall be deemed to be the "responsible authorities" for the purposes of subsection 42A(3); and
- c) references to registered pupils shall be treated as references to registered pupils at each Academy.

25) The Company shall make provision for the teaching of religious education and for a daily act of collective worship at each Mainstream Free School.

26) Where a Mainstream Free School is designated with a religious character in accordance with section 124B of the School Standards and Framework Act 1998 or further to section 6(8) of the Academies Act 2010:

- a) subject to clause 28, and paragraph 4 of Schedule 19 to the School Standards and Framework Act 1998 which shall apply as if the Academy were a voluntary aided school with a religious character, the Company shall ensure that provision is made for religious education to be given to all pupils at the Academy in accordance with the tenets of the specified religion or religious denomination of the Academy;
- b) subject to clause 28, the Company shall comply with the requirements of section 70(1) of, and Schedule 20 to, the School Standards and Framework Act 1998 as if the Academy were a foundation school with a religious character or a voluntary school, and as if references to 'the required collective worship' were references to collective worship in accordance with the tenets and practices of the specified religion or religious denomination of the Academy;
- c) the Company shall ensure that the quality of religious education given to pupils at the Academy and the contents of the Academy's collective worship given in accordance with the tenets and practice of the specific religion or religious denomination are inspected. Such inspection shall be conducted by a person chosen by the Company and the Academy shall secure that such inspection shall comply with the requirements set out in any statutory provision and regulations as if the Academy were a foundation or voluntary school which has been designated under section 69(3) of the School



Standards and Framework Act 1998 as having a religious character.

27) Where a Mainstream Free School has not been designated with a religious character in accordance with section 124B of the School Standards and Framework Act 1998 or further to Section 6(8) of the Academies Act 2010:

- a) subject to clause 28, the Company shall ensure that provision shall be made for religious education to be given to all pupils at the Academy in accordance with the requirements for agreed syllabuses in section 375(3) of the Education Act 1996 and paragraph 2(5) of Schedule 19 to the School Standards and Framework Act 1998;
- b) subject to clause 28, the Company shall ensure that the Academy complies with the requirements of section 70(1) of, and Schedule 20 to, the School Standards and Framework Act 1998 as if it were a community, foundation or voluntary school which does not have a religious character, except that the provisions of paragraph 4 of that Schedule do not apply. The Company may apply to the Secretary of State for consent to be relieved of the requirement imposed by paragraph 3(2) of that Schedule, the Secretary of State's consent to such an application not to be unreasonably withheld or delayed;
- c) the Company<sup>3</sup>:
  - (1) agrees that before making an application pursuant to the Religious Character of Schools (Designation Procedure) (Independent Schools) (England) Regulations 2003 for each Academy to be designated as a school with religious character it shall seek the prior written consent of the Secretary of State;
  - (2) hereby acknowledges that the Secretary of State may in his absolute discretion refuse or consent to the Company making such an application.

27A) Where a Mainstream Free School is listed in the Register of Independent Schools as having a religious ethos, but has not been designated with a religious

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<sup>3</sup> This is required in order to ensure that the process by which an Academy becomes designated as a school with a religious character is comparable to that which applies for maintained schools.

character in accordance with section 124B of the School Standards and Framework Act 1998 or further to Section 6(8) of the Academies Act 2010, the Company agrees that paragraph 5(b) of Schedule 11 of the Equality Act 2010 shall not apply to the Academy.

27B) The Company may make provision for the teaching of religious education and for a daily act of collective worship at each alternative provision Free School.

27C) Where an alternative provision Free School does (at its discretion in accordance with clause 27B) make provision for the teaching of religious education and/or for a daily act of collective worship at the alternative provision Free School then:

- a) subject to clause 28, the Company shall ensure that any such provision shall be made for religious education to be given to all pupils at the alternative provision Free School in accordance with the requirements for agreed syllabuses in section 375(3) of the Education Act 1996 and paragraph 2(5) of Schedule 19 to the School Standards and Framework Act 1998;
- b) subject to clause 28, the Company shall ensure that the alternative provision Free School complies with the requirements of section 70(1) of, and Schedule 20 to, the School Standards and Framework Act 1998 as if it were a community, foundation or voluntary school which does not have a religious character, except that the provisions of paragraph 4 of that Schedule do not apply. The Company may apply to the Secretary of State for consent to be relieved of the requirement imposed by paragraph 3(2) of that Schedule, the Secretary of State's consent to such an application not to be unreasonably withheld or delayed.

28) In respect of Mainstream Free Schools and alternative provision Free Schools section 71(1) – (6) and (8) of the School Standards and Framework Act 1998 shall apply as if each such Academy were a community, foundation or voluntary school, and as if references to "Religious Education" and to "Religious Worship" in that

section were references to the religious education and religious worship provided by each such Academy in accordance with clauses 26 or 27 as appropriate.

28A) The Company shall make provision for the teaching of religious education and for acts of collective worship at each Special Free School.

28B) In respect of RE and collective worship at Special Free Schools:

a) subject to clause 28Bc), the Company shall ensure that provision shall be made for religious education to be given to all pupils at each Special Free School in accordance with the requirements for agreed syllabuses in section 375(3) of the Education Act 1996 and paragraph 2(5) of Schedule 19 to the School Standards and Framework Act 1998.

b) subject to clause 28Bc), the Company shall ensure that each Special Free School complies with the requirements of Regulation 5A of the Education (Special Educational Needs) (England) (Consolidation) Regulations 2001 as if it were a maintained special school.

c) Regulation 5A of the Education (Special Educational Needs) (England) (Consolidation) Regulations 2001 shall apply as if the Special Free School were a community or foundation special school, and as if references to "Religious Education" and to "Religious Worship" in that section were references to the religious education and religious worship provided by the Academy in accordance with this clause.

28C) Where a Special Free School is listed in the Register of Independent Schools as having a religious ethos, the Company agrees that paragraph 5(b) of Schedule 11 of the Equality Act 2010 shall not apply to the Academy.

28D) The Company shall make provision for: (i) the teaching of religious education at the 16 to 19 Free School for any student attending the 16 to 19 Free School wishing to receive it; and (ii) ensure that at an appropriate time on at least one day in each week during which the 16 to 19 Free School is open an act of collective worship is held at the 16 to 19 Free School which students receiving education at the 16 to 19 Free School may attend.

28E) The Company shall not, in respect of any Academy, make provision in the context of any subject for the teaching, as an evidence-based view or theory, of any view or theory that is contrary to established scientific and/or historical evidence and explanations.

28F) The Company shall, in respect of each Academy except any alternative provision Academies or 16-19 Academies, make provision for the teaching of evolution as a comprehensive, coherent and extensively evidenced theory. In respect of any alternative provision Academies and 16-19 Academies, the Company shall, where relevant to the curriculum, make provision for the teaching of evolution as a comprehensive, coherent and extensively evidenced theory. .

29) Except in 16 to 19 Free Schools, the Company shall have regard to any guidance issued by the Secretary of State, further to section 403 of the Education Act 1996, on sex and relationship education to ensure that children at each Academy are protected from inappropriate teaching materials and they learn the nature of marriage and its importance for family life and for bringing up children. The Company shall also have regard to the requirements set out in section 405 of the Education Act 1996 which shall apply to each Academy as if it were a maintained school.

29A) Except in 16 to 19 Free School, the Company agrees to act in accordance with Sections 406 (Political Indoctrination) and 407 (Duty to secure balance treatment of political issues) of the Education Act 1996 as if it were a maintained school, subject to the following modifications:

- a) references to any maintained school shall be treated as references to each Academy;
- b) references to registered pupils shall be treated as references to registered pupils at each Academy;
- c) references to the governing body or the local authority shall, in each case, be treated as references to the Company; and

- d) references to the head teacher shall, in each case, be treated as references to the Principal of each Academy<sup>4</sup>.

29B) The Company shall ensure that principles are promoted which support fundamental British values, including: respect for the basis on which the law is made and applied in England; respect for democracy and support for participation in the democratic processes; support for equality of opportunity for all; support and respect for the liberties of all within the law; and respect for and tolerance of different faiths and religious and other beliefs.

### **Assessment**

30) The Secretary of State will notify the appropriate body for assessment purposes about each Academy.

- a) (i) The Company shall ensure that each Mainstream Free School and each Special Free School complies with any guidance issued by the Secretary of State from time to time to ensure that pupils take part in assessments and in teacher assessments of pupils' performance as they apply to maintained schools; and the Company shall also do so for each alternative provision Free School unless there are exceptional reasons to do otherwise.

(ii) The Company shall ensure that students at the 16 to 19 Free School take part in assessments of students' performance appropriate to the qualifications offered by the 16 to 19 Free School.

- b) The Company shall report to any body on assessments under clause 30 as the Secretary of State shall require and shall provide such information as may be required by that body as applies to maintained schools.
- c) In respect of all Key Stages, the Company will submit each Academy to monitoring and moderation of its assessment arrangements as prescribed by the Secretary of State.

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<sup>4</sup> Please also see the Charity Commission guidance (CC9): "Speaking out: Guidance on Campaigning and Political Activities by Charities" <http://www.charity-commission.gov.uk/Publications/cc9.aspx>

d) The Company may offer:

(i) any course of education or training at an Academy which leads to a qualification that is approved by the Secretary of State for the purposes of section 96 of the Learning and Skills Act 2000; and

(ii) any course of education or training not falling within paragraph (i) if the Secretary of State gives his specific written approval for it.

30A)(i) Subject to clause 30B, the Company shall ensure that the following information is published on the website for each Mainstream Free School, for each alternative provision Free School and, where appropriate, for each Special Free School:

a) If applicable, the school's most recent Key Stage 2 results as published by the Secretary of State under the following column headings in the School Performance Tables published on the Department for Education's website:

- (i) "% achieving Level 4 or above in English and maths";
- (ii) "% making expected progress";
- (iii) in relation to English, "% achieving Level 5 or above"; and
- (iv) in relation to maths, "% achieving Level 5 or above".

b) If applicable, the school's most recent Key Stage 4 results as published by the Secretary of State under the following column headings in the School Performance Tables published on the Department for Education's website:

- (i) "% achieving 5 + A\* - C GCSEs (or equivalent) including English and maths GCSEs";
- (ii) "% achieving the English Baccalaureate"; and
- (iii) "% of pupils making expected progress".

c) Information as to where and by what means the most recent report about the school published by her Majesty's Chief Inspector of Education, Children's



Services and Skills may be accessed.

- d) Information as to where and by what means the School Performance Tables published by the Secretary of State on the Department for Education's website may be accessed.

30A)(ii) Subject to clause 30B, the Company shall ensure it publishes on its website such information in relation to each 16 to 19 Free School's performance as the Secretary of State may request in writing from time to time.

30B) There is no requirement to publish information under clause 30A if to do so would be in breach of the Company's obligations under the Data Protection Act 1998.

#### **Exclusions Agreement**

31) In respect of Mainstream Free Schools, and in respect of Special Free Schools that admit Non-Statemented Pupils, the Company shall, if invited to do so by an LA, enter into an agreement in respect of an Academy with that LA, which has the effect that where:

- a) the Company admits a pupil to the Academy who has been permanently excluded from a maintained school, the Academy itself or another Academy with whom the LA has a similar agreement; or
- b) the Company permanently excludes a pupil from the Academy;

payment will flow between the Company and the LA in the same direction and for the same amount that it would, were the Academy a maintained school, under Regulations made under section 47 of the School Standards and Framework Act 1998 relating to the addition or deduction of a maintained school's budget following a permanent exclusion or the admission of a permanently excluded pupil. At the date of this Agreement, the applicable Regulation is Regulation 23 of the School Finance (England) Regulations 2011.

#### **School Meals**

32) Except in 16 to 19 Free Schools, the Company shall, if requested to do so by or on behalf of any pupils at any Academy, provide school lunches for those pupils unless it would be unreasonable for it to do so. Subject to the provisions of clause 33 charges may be levied for lunches, but the Company shall otherwise fund the cost of such school lunches from its GAG for Mainstream Free Schools, or from its resources for Special Free Schools and for alternative provision Free Schools.

33) Except in 16 to 19 Free Schools, in relation to a pupil who is himself or whose parents are in receipt of benefits mentioned in section 512ZB of the Education Act 1996 (or equivalent provision governing the entitlement to free school lunches of pupils at maintained schools), the Company shall ensure that a school lunch is provided for such a pupil free of charge to be funded by the Company.

### **Charging**

34) Sections 402 (obligation to enter pupils for public examinations), 450 - 457 (charges), 459 (regulations about information about charges and school hours), 460 (voluntary contributions), 461 (recovery of sums as civil debt) and 462 (interpretation re charges) of the Education Act 1996 (including, for the avoidance of doubt, any secondary legislation made further to those provisions) shall be deemed to apply to each Academy except 16 to 19 Free Schools with the following modifications:

- a) references to any maintained school shall be treated as references to an Academy;
- b) references to registered pupils shall be treated as references to registered pupils at an Academy;
- c) references to the governing body or the local education authority shall, in each case, be treated as references to the Company;



d) the Company may charge persons who are not registered pupils at an Academy for education provided or for facilities used by them at that Academy.<sup>5</sup>

e) not used.

34A) Each 16 to 19 Free School shall:

a) only be permitted to make charges in the circumstances that institutions within the further education sector are permitted to as set in the current 16 to 19 Funding Guidance published by the Secretary of State, as amended from time to time, or such other guidance on 16 to 19 funding issued by the Secretary of State as may from time to time be applicable; and

b) not used.

### **International Education Surveys**

34B) Section 538A of the Education Act 1996 (power to direct participation in international surveys) shall be deemed to apply to each Academy with the following modifications:

(a) references to the governing body shall be treated as references to the Company; and

(b) references to a community, foundation or voluntary school shall be treated as references to the Academy,.

### **Pupil Premium**

34C) For Mainstream Free Schools, and those Special Free Schools that receive Pupil Premium Funding<sup>6</sup>, the Company shall publish in each Academy Financial Year information in relation to:

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<sup>5</sup> For clarification, such charging is separate and distinct from any arrangement that the Company may make with Commissioners concerning the referral of pupils to the alternative provision Free School.

<sup>6</sup> The Pupil Premium is additional funding for schools to support pupils from low-income families. In instances when those pupils are in special settings, the Education Funding Authority allocates the

- a) the amount of Pupil Premium allocation that it will receive during the Academy Financial Year;
- b) on what it intends to spend the Pupil Premium allocation;
- c) on what it spent its Pupil Premium in the previous Academy Financial Year;
- d) the impact on educational attainment, arising from expenditure of the previous Academy Financial Year's Pupil Premium.

#### **DURATION OF SCHOOL DAY AND YEAR**

34D) In respect of Mainstream Free Schools, alternative provision Free Schools and 16 to 19 Free Schools, the duration of the school day and year will be the responsibility of the Company and for the purpose of this paragraph "school" also means a 16 to 19 Free School.<sup>7</sup>

#### **GRANTS TO BE PAID BY THE SECRETARY OF STATE**

##### **General**

35) The Secretary of State shall pay grants towards Recurrent Expenditure and may pay grants towards Capital Expenditure for each Academy. Except with the Secretary of State's prior agreement, the Company shall not budget for its expenditure in any Academy Financial Year in excess of expected income (subject to clause 80). The Company shall not enter into commitments which are likely to have substantial implications for future levels of grant, or for the period for which grant may be required. No decision by the Company shall commit the Secretary of State to paying any particular amount of grant.

36) "Recurrent Expenditure" means any expenditure on the establishment, conduct, administration and maintenance of the Academy which does not fall

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funding to the setting where they are being educated. There is no requirement for alternative provision settings to publish information as set out in clause 34C.

<sup>7</sup> In respect of Special Free Schools, regulations made under section 551 of the Education Act 1996 apply (currently the Education (School Day and School Year) (England) Regulations 1999).

within the categories of capital expenditure set out at clause 37. The Secretary of State shall pay two separate and distinct grants in respect of recurrent expenditure: General Annual Grant ("GAG") and Earmarked Annual Grant ("EAG").

### **Capital Grant**

37) "Capital Expenditure" means expenditure on:

- a) the acquisition of land and buildings;
- b) the erection, enlargement, improvement or demolition of any building including fixed plant, installation, wall, fence or other structure, or any playground or hard standing;
- c) the installation of electrical, mechanical or other services other than necessary replacements, repairs and maintenance due to normal wear and tear;
- d) the purchase of vehicles and other self-propelled mechanical equipment;
- e) the installation and equipping of premises with furnishings and equipment, other than necessary replacements, repairs and maintenance due to normal wear and tear;
- f) the installation and equipping of premises with computers, networking for computers, operating software and information and communication technology equipment, other than necessary updates or necessary replacements, repairs and maintenance due to normal wear and tear;
- g) the provision and equipping of premises, including playing fields and other facilities for social activities and physical recreation other than necessary replacements, repairs and maintenance due to normal wear and tear;
- h) works of a permanent character other than the purchase or replacement of minor day-to-day items;
- i) any major repairs or replacements which are specified as constituting capital expenditure in any grant letter relating to them;

j) such other items (whether of a like or dissimilar nature to any of the foregoing) of a substantial or enduring nature as the Secretary of State may agree shall constitute capital expenditure for the purposes of this Agreement;

k) all professional fees properly and reasonably incurred in connection with the provision of any of the above;

l) VAT and other taxes payable on any of the above.

"Capital Grant" means grant paid to the Company in respect of Capital Expenditure.

38) Where an Academy is to open in new premises, or where existing premises are to be substantially refurbished or remodelled to enable the Academy to open in such premises, the Secretary of State, may, in his absolute discretion be responsible for meeting the incurred Capital Expenditure for that Academy. To that end, the Secretary of State will consider providing funding in accordance with any arrangements as he considers appropriate.

39) Any Capital Expenditure incurred in respect of each Academy on which Capital Grant payments are sought from the Secretary of State will require the specific prior written agreement of the Secretary of State, which agreement shall not be unreasonably withheld or delayed.

40) Any payment of Capital Grant to the Company under this Agreement is subject to the fulfilment of the following conditions:

a) such grants are used solely to defray expenditure approved by the Secretary of State;

b) the Company certifying and providing evidence that all planning and other consents necessary for the development and all related infrastructure to be completed have been obtained or put in place;

c) Any other conditions that the Secretary of State may specify.

## **Arrangements for Payment of Capital Grant**

41) Capital Grant will be paid by the Secretary of State to the Company on the basis of claims for grant submitted to the Secretary of State in the notified format with supporting invoices and certificates as required by the Secretary of State. If a dispute arises as to whether a claim is or is not acceptable both parties undertake to attempt to resolve it in good faith. In the event of such a dispute, the Secretary of State shall pay to the Company so much of the claim as shall not be in dispute.

## **General Annual Grant**

41A) GAG paid by the Secretary of State in respect of an Academy shall only be spent by the Company towards the normal running costs of the Academies.

42) Clauses 42A to 51 apply in respect of Mainstream Free Schools only.

42A) GAG will be paid by the Secretary of State to the Company in order to cover the normal running costs of each Mainstream Free School. These will include, but are not limited to:

- a) teachers' salaries and related costs (including full and part time teaching staff and seconded teachers);
- b) non-teaching staff salaries and related costs (including pension contributions, educational support staff, administrative and clerical staff and manual and premises related staff);
- c) employees' expenses;
- d) the purchase, maintenance, repair and replacement:
  - (i) of teaching and learning materials and other educational equipment, including books, stationery and ICT equipment and software, sports equipment and laboratory equipment and materials;
  - (ii) of other supplies and services;
- e) examination fees;

- f) repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting etc); maintenance of grounds (including boundary fences and walls); cleaning materials and contract cleaning; water and sewage; fuel and light (including fuel oil, solid and other fuel, electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;
- g) insurance;
- h) medical equipment and supplies;
- i) staff development (including in-service training);
- j) curriculum development;
- k) the costs of providing school meals for pupils (including the cost of providing free school meals to pupils who are eligible to receive them), and discretionary grants to pupils to meet the cost of pupil support, including support for pupils with special educational needs or disabilities (taking account of the fact that separate additional money will be available for pupils with statements of special educational needs);
- l) administration; and
- m) establishment expenses and other institutional costs.

43) Subject to clause 50 of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant Mainstream Free School, GAG for each Academy Financial Year for each Mainstream Free School will include:

- a) funding equivalent to that which would be received by a maintained school with similar characteristics, determined by the Secretary of State and notified in the Annual Letter of Funding or its equivalent, taking account of the number of pupils at each Mainstream Free School;
- b) funding for the cost of functions which would be carried out by the local authority if each Mainstream Free School were a maintained school, such funding to be determined at the discretion of the Secretary of State;

- c) funding for matters for which it is necessary for the relevant Mainstream Free School to incur extra costs, to the extent that those costs are deemed in the discretion of the Secretary of State to be necessary; and
- d) payments equivalent to further, specific grants made available to maintained schools, where the relevant Mainstream Free School meets the requisite conditions and criteria\_necessary for a maintained school to receive these grants, such payments to be at the discretion of the Secretary of State.

44) Subject to clause 46, the basis of the pupil number count for the purposes of determining GAG at each Mainstream Free School for an Academy Financial Year will be the Company's most recent estimate in respect of such Mainstream Free Schools provided in accordance with clause 45.

45) The Secretary of State shall in advance of each Academy Financial Year for each Mainstream Free School, at such time or times as he shall determine, request that the Company provides an estimate of the number of pupils on roll in the following September at each Mainstream Free School for the purposes of determining GAG for an Academy Financial Year at each Mainstream Free School, and the Company shall provide the requested estimate (such estimate to be based on an objective assessment of numbers) in respect of each Mainstream Free School to the Secretary of State as soon as reasonably practicable..

46) Once the condition specified in clause 47) has been satisfied with respect to the relevant Mainstream Free School for the Academy Financial Year for which funding is being calculated, the basis of the pupil number count for the purpose of determining GAG for the relevant Mainstream Free School will be:

- a) for the pupil number count for pupils in Year 11 and below, the Schools Census for the relevant month (determined at the discretion of the Secretary of State) preceding the Academy Financial Year in question; and
- b) for the pupil number count for pupils in Year 12 and above, the formula which for the time being is in use for maintained schools for the calculation of pupil numbers for pupils in Year 12 and above for the purpose of calculating their level of funding.



47) For the purpose of clause 46), the condition is satisfied in the Academy Financial Year which immediately follows the Academy Financial Year in which all planned Year-groups will be present at the relevant Mainstream Free School (that is, all the pupil cohorts relevant to the age-range of the relevant Mainstream Free School will have some pupils present).

48) For any Academy Financial Year in which GAG for the relevant Mainstream Free School has been calculated in accordance with clauses 44) and 45), an adjustment may be made to the following Academy Financial Year's formula funding element of GAG for the relevant Mainstream Free School to recognise any variation from that estimate. The Secretary of State may for the purpose of calculating any adjustment to the formula funding element of GAG under this clause, use the Census for the relevant month (determined at the discretion of the Secretary of State) for the Academy Financial Year in question as a means of determining pupil numbers in an Academy Financial Year. The additional or clawed-back grant will be only that amount relevant to the number of pupils above or below that estimate.

49) For any Academy Financial Year in which GAG for the relevant Mainstream Free School is calculated in accordance with clause 46), no adjustment will be made to the equivalence funding element in the following Academy Financial Year's equivalence funding element of GAG for the relevant Mainstream Free School unless the Company demonstrates to the satisfaction of the Secretary of State that there has been a significant impact on costs, such as an extra class. For any other element of GAG for the relevant Mainstream Free School the Secretary of State may make adjustments to recognise a variation in pupil numbers from that used to calculate the element of grant in question; the basis of these will be set out in the Annual Letter of Funding or its equivalent.

50) The Secretary of State recognises that if he serves notice of intention to terminate this Agreement or a Supplemental Agreement, the intake of new pupils during the notice period is likely to decline and that in such circumstances payments based simply upon the number of pupils attending the relevant Mainstream Free School or Mainstream Free Schools are unlikely to be sufficient to



meet the Mainstream Free School's or Mainstream Free Schools' needs during the notice period. In those circumstances, the Secretary of State may undertake to pay a reasonable and appropriately larger GAG with respect to that Mainstream Free School or those Mainstream Free Schools in the notice period than would be justified solely on the basis of the methods set out in clauses 43-49, in order to enable the Mainstream Free School or Mainstream Free Schools to operate effectively.

51) The Secretary of State also recognises that if this Agreement or a Supplemental Agreement is terminated for any reason by either party the number of pupils at the relevant Mainstream Free School or Mainstream Free Schools is likely to decline. In these circumstances both parties undertake to attempt to resolve issues arising from such termination in good faith and with the aim of protecting the interests and the education of the pupils at the relevant Mainstream Free School or Mainstream Free Schools.

52) Clauses 52A to 54G apply in respect of Special Free Schools only.

52A) GAG will be paid by the Secretary of State to the Company as a contribution towards the normal running costs of each Special Free School. These will include, but are not limited to:

- a. teachers' salaries and related costs (including full and part time teaching staff and seconded teachers);
- b. non-teaching staff salaries and related costs (including pension contributions, educational support staff, administrative and clerical staff and manual and premises related staff);
- c. employees' expenses;
- d. the purchase, maintenance, repair and replacement:
  - (i) of teaching and learning materials and other educational equipment, including books, stationery and ICT equipment and software, sports equipment and laboratory equipment and materials;

- (ii) of other supplies and services;
- e. examination fees;
- f. repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting etc); maintenance of grounds (including boundary fences and walls); cleaning materials and contract cleaning; water and sewage; fuel and light (including fuel oil, solid and other fuel, electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;
- g. insurance;
- h. medical equipment and supplies;
- i. staff development (including in-service training);
- j. curriculum development;
- k. the costs of providing school meals for pupils (including the cost of providing free school meals to pupils who are eligible to receive them), and discretionary grants to pupils to meet the cost of pupil support, including support for pupils with special educational needs or disabilities (taking account of the fact that separate additional money will be available for pupils with statements of special educational needs);
- l. administration;
- m. establishment expenses and other institutional costs.

53) Subject to clause 54F of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant Special Free School, GAG for each Financial Year for each Special Free School will include:

- a) funding determined by the Secretary of State and notified in the Annual Letter of Funding or its equivalent, taking account of the number of pupils/and or places at the Special Free School;

b) funding for the cost of functions which would be carried out by the local authority if the Special Free School were a maintained school, such funding to be determined at the discretion of the Secretary of State .

c) funding for matters for which it is necessary for the Special Free School to incur extra costs, to the extent that those costs are deemed in the discretion of the Secretary of State to be necessary; and

d) Payments equivalent to further, specific grants made available to maintained schools, where the Special Free School meets the requisite conditions and criteria necessary for a maintained school to receive these grants, such payments to be at the discretion of the Secretary of State;

53A) The Secretary of State will determine GAG for each Special Free School for each Academy Financial Year. The determination will be made taking into account relevant factors. Arrangements for this will be set out in the Annual Letter of Funding or its equivalent.

54) The Secretary of State may make provision, within his absolute discretion, for GAG to be adjusted in-year if the number of pupils attending one of the Special Free Schools at specified dates exceeds or falls below thresholds specified by letter. Arrangements for this will be set out in the Annual Letter of Funding.

54A) - 54E) Not used.

54F) The Secretary of State recognises that if he serves notice of intention to terminate a Supplemental Agreement, the intake of new pupils during the notice period is likely to decline and that in such circumstances payments based on a number of places related to the number of pupils attending the relevant Special Free School are unlikely to be sufficient to meet the Special Free School's needs during the notice period. The Secretary of State may undertake to pay a reasonable and appropriately larger GAG with respect to that Special Free School in the notice period than would be justified solely on the basis of the methods set out in clauses 53-54, in order to enable the Special Free School to operate effectively.

54G) The Secretary of State also recognises that if this Agreement or a Supplemental Agreement is terminated for any reason by either party the number of pupils at the relevant Special Free School or Special Free Schools is likely to decline. In these circumstances both parties undertake to attempt to resolve issues arising from such termination in good faith and with the aim of protecting the interests and the education of the pupils at the Special Free School.

54H) Clauses 54I to 54N apply in respect of alternative provision Free Schools only.

54I) GAG will be paid by the Secretary of State to the Company as a contribution<sup>8</sup> to the normal running costs of the alternative provision Free School. These will include, but are not limited to:

- a) teachers' salaries and related costs (including full and part time teaching staff and seconded teachers);
- b) non-teaching staff salaries and related costs (including pension contributions, educational support staff, administrative and clerical staff and manual and premises related staff);
- c) employees' expenses;
- d) the purchase, maintenance, repair and replacement:
  - (i) of teaching and learning materials and other educational equipment, including books, stationery and ICT equipment and software, sports equipment and laboratory equipment and materials;
  - (ii) of other supplies and services;
- e) examination fees;
- f) repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting etc); maintenance of grounds (including boundary fences and walls); cleaning materials and contract cleaning; water and

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<sup>8</sup> The extent of any such contribution to be within the absolute discretion of the Secretary of State.

sewage; fuel and light (including fuel oil, solid and other fuel, electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;

- g) insurance;
- h) medical equipment and supplies;
- i) staff development (including in-service training);
- j) curriculum development;
- k) the costs of providing school meals for pupils (including the cost of providing free school meals to pupils who are eligible to receive them), and discretionary grants to pupils to meet the cost of pupil support, including support for pupils with special educational needs or disabilities (taking account of the fact that separate additional money will be available for pupils with statements of special educational needs);
- l) administration;
- m) establishment expenses and other institutional costs.

54J) Subject to clause 54M of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant alternative provision Free School, GAG for each Academy Financial Year for each alternative provision Free School will include:

- a) funding determined by the Secretary of State and notified in the Annual Letter of Funding or its equivalent, taking account of the number of pupils and/or places at the alternative provision Free School;
- b) funding for the cost of functions which would be carried out by the local authority if the alternative provision Free School were a maintained school, such funding to be determined at the discretion of the Secretary of State.
- c) funding for matters for which it is necessary for the alternative provision Free School to incur extra costs, to the extent that those costs are deemed in the discretion of the Secretary of State to be necessary; and
- d) payments equivalent to further, specific grants made available to maintained

schools, where the alternative provision Free School meets the requisite conditions and criteria necessary for a maintained school to receive these grants, such payments to be at the discretion of the Secretary of State.

54K) The Secretary of State will determine GAG for each alternative provision Free School for each Academy Financial Year. The determination will be made taking into account relevant factors. Arrangements for this will be set out in the Annual Letter of Funding or its equivalent.

54L) The Secretary of State may make provision, within his absolute discretion, for GAG to be adjusted in-year if the number of pupils attending one of the alternative provision Free Schools at specified dates exceeds or falls below thresholds specified by letter. Arrangements for this will be set out in the Annual Letter of Funding or its equivalent. .

54M) The Secretary of State recognises that if he serves notice of intention to terminate this Agreement, the intake of new pupils during the notice period is likely to decline and that in such circumstances payments based simply upon the number of pupils attending the alternative provision Free School are unlikely to be sufficient to meet the alternative provision Free School's needs during the notice period. In those circumstances, the Secretary of State may undertake to pay a reasonable and appropriately larger GAG with respect to the alternative provision Free School in the notice period than would be justified solely on the basis of the methods set out in clauses 54J-54L, in order to enable the alternative provision Free School to operate effectively..

54N) The Secretary of State also recognises that if this Agreement is terminated for any reason by either party the number of pupils at the relevant alternative provision Free School is likely to decline. In these circumstances both parties undertake to attempt to resolve issues arising from such termination in good faith and with the aim of protecting the interests and the education of the pupils at the alternative provision Free School.

54O) Clauses 54P to 54Y apply in respect of 16 to 19 Free Schools only.

54P) GAG will be paid by the Secretary of State to the Company in order to cover the normal running costs of each 16 to 19 Free School. These will include, but are not limited to:

- a) teachers' salaries and related costs (including full and part time teaching staff and seconded teachers);
- b) non-teaching staff salaries and related costs (including pension contributions, educational support staff, administrative and clerical staff and manual and premises related staff);
- c) employees' expenses;
- d) the purchase, maintenance, repair and replacement:
  - (i) of teaching and learning materials and other educational equipment, including books, stationery and ICT equipment and software, sports equipment and laboratory equipment and materials;
  - (ii) of other supplies and services;
- e) examination fees;
- f) repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting etc); maintenance of grounds (including boundary fences and walls); cleaning materials and contract cleaning; water and sewage; fuel and light (including fuel oil, solid and other fuel, electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;
- g) insurance;
- h) medical equipment and supplies;
- i) staff development (including in-service training);
- j) curriculum development;
- k) discretionary grants to students to meet the cost of student support, including support for students with learning difficulties or disabilities (taking account of the fact that separate additional money will be available for students with learning difficulties or disabilities);
- l) administration;
- m) establishment expenses and other institutional costs.

54Q) Subject to clauses 54W to 54X of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant 16 to 19 Free School, GAG for each Academy Financial Year for each 16 to 19 Free School will include:

- a) funding in accordance with the national funding formula for the education and training of 16-19 year olds, determined by the Secretary of State and notified in the Annual Letter of Funding or its equivalent, taking account of the number of students at the 16 to 19 Free School;
- b) funding for matters for which it is necessary for the 16 to 19 Free School to incur extra costs, to the extent that those costs are deemed in the discretion of the Secretary of State to be necessary; and
- c) payments equivalent to further, specific grants made available to institutions within the further education sector, where the 16 to 19 Free School meets the requisite conditions and criteria\_necessary for an institution within the further education sector to receive these grants, such payments to be at the discretion of the Secretary of State.

54R) During the "Start-up period" (as defined in the Supplemental Agreement for each 16 to 19 Free School) the basis of the student number count for the purposes of determining GAG for an Academy Financial Year for the 16 to 19 Free School will be the Company's estimate each year for numbers on roll in the following September for the 16 to 19 Free School, such estimate to be based on an objective assessment of student numbers and agreed with the Secretary of State.

54S) The Secretary of State shall in advance of each Academy Financial Year for the 16 to 19 Free School, at such time or times as he shall determine, request that the Company provides an estimate of the number of students on roll in the following September for the 16 to 19 Free School for the purposes of determining GAG for an Academy Financial Year, and the Company shall provide the requested



estimate (such estimate to be based on an objective assessment of numbers) to the Secretary of State as soon as reasonably practicable.

54T) After the "Start-up period" (as defined the Supplemental Agreement for each 16 to 19 Free School) the arrangements for calculating the student number count for the purpose of determining GAG for the 16 to 19 Free School shall be those provided for in guidance on the national funding system published by the Secretary of State under section 15ZD of the Education Act 1996 for the relevant Academy Financial Year, in respect of persons who have reached the age of 16 but have not reached the age of 19, or are aged 19-24 and have a learning difficulty and/or disability and are the subject of a learning difficulty assessment.

54U) For any Academy Financial Year in which GAG for the 16 to 19 Free School has been calculated in accordance with clause 54R, an adjustment may be made to the following Academy Financial Year's formula funding element of GAG for the 16 to 19 Free School to recognise any variation from that estimate. The Secretary of State may for the purpose of calculating any adjustment to the formula funding element of GAG under this clause, use the Individualised Learner Record for the Academy Financial Year in question as a means of determining student numbers in an Academy Financial Year. The additional or clawed-back grant will be only that amount relevant to the number of students above or below that estimate.

54V) For any Academy Financial Year in which GAG for the 16 to 19 Free School is calculated in accordance with clause 54T, no adjustment will be made to the equivalence funding element in the following Academy Financial Year's equivalence funding element of GAG. For any other element of GAG the Secretary of State may make adjustments to recognise a variation in student numbers from that used to calculate the element of grant in question; the basis of these will be set out in guidance on the national funding system published by the Secretary of State under section 15ZD of the Education Act 1996 for the relevant Academy Financial Year.

54W) The Secretary of State may pay further grant in the Start-up period, as determined and specified by him, for costs which cannot otherwise be met from GAG.

54X) The Secretary of State recognises that if he serves notice of intention to

terminate this Agreement, the intake of new students during the notice period is likely to decline and that in such circumstances payments based simply upon the number of students attending the relevant 16 to 19 Free School are unlikely to be sufficient to meet the Academy's needs during the notice period. In those circumstances, the Secretary of State may undertake to pay a reasonable and appropriately larger GAG with respect to the relevant 16 to 19 Free School in the notice period than would be justified solely on the basis of the methods set out in clauses 54Q-54U, in order to enable the relevant 16 to 19 Free School to operate effectively.

54Y) The Secretary of State also recognises that if this Agreement is terminated for any reason by either party the number of students at the relevant 16 to 19 Free School is likely to decline. In these circumstances both parties undertake to attempt to resolve issues arising from such termination in good faith and with the aim of protecting the interests and the education of the students at the relevant 16 to 19 Free School.

#### **Earmarked Annual Grant**

55) Earmarked Annual Grant ("EAG") shall be paid by the Secretary of State to the Company in respect of either Recurrent or Capital Expenditure for such specific purposes as may from time to time be agreed between the Secretary of State and the Company and as described in the relevant funding letter. The Company shall only spend EAG in accordance with the scope, terms and conditions of the grant set out in the relevant funding letter.

56) Where the Company is seeking a specific EAG in relation to any Academy Financial Year, it shall submit a letter outlining its proposals and the reasons for its request to the DfE.

#### **Arrangements for Payment of GAG and EAG**

57) The Secretary of State shall notify the Company at a date preceding the start of each Academy Financial Year of the GAG and EAG figures in respect of each Academy which, subject to Parliamentary approval, the Secretary of State plans for

that Academy Financial Year and of the assumptions and figures on which these are based.

58) If GAG or EAG is calculated incorrectly due to a mistake of the Secretary of State then:

- a) if this leads to an underpayment of GAG, the Secretary of State will correct the underpayment in subsequent Academy Financial Years;
- b) if this leads to an overpayment of GAG, the Secretary of State reserves the right to recover any overpaid grant in subsequent Academy Financial Years, as appropriate, having considered all the relevant circumstances and taking into account any representations from the Company.

59) If GAG or EAG is calculated incorrectly because the Company provides incorrect information to the Secretary of State then:

- a) if this leads to an underpayment of GAG, the Secretary of State may correct the underpayment in subsequent Academy Financial Years;
- b) if this leads to an overpayment of GAG, the Secretary of State reserves the right to recover any overpaid grant in subsequent Academy Financial Years, as appropriate, having considered all the relevant circumstances and taking into account any representations from the Company.

60) The amounts of GAG for an Academy Financial Year will be determined annually by the Secretary of State. The amount of GAG for each Academy for the initial Academy Financial Year will be notified to the Company in a funding letter at a date preceding that year. For subsequent years the amount of GAG will be notified to the Company in a funding letter preceding that Academy Financial Year (the "Annual Letter of Funding"). The Annual Letter of Funding will not include the amount that the Company will receive in respect of grants for which information to enable timely calculation is not available or is incomplete, such grants will be notified as soon as practicable later in the year. Amounts of EAG will be notified to the Company wherever possible in the Annual Letter of Funding or its equivalent as soon as practicable thereafter.

61) The Secretary of State undertakes to pay GAG in monthly instalments on or before the twenty-fifth day of each month, each such instalment to fund the salaries and other payroll costs for the relevant month of all monthly paid employees and all other costs payable during the next following month. The detailed arrangements for payment will be set out in the Annual Letter of Funding or its equivalent.

### **Additional Funding**

62) Not used.

63) Not used

64) Except in 16 to 19 Free Schools, the Company may also receive funding from an LA in respect of the provision detailed in statements of SEN for pupils attending an Academy in accordance with the provisions of Section 483A of the Education Act 1996 and regulations made under that section. The Company shall ensure that all provision detailed in statements of SEN is provided for such pupils.

65) Not used.

## **FINANCIAL AND ACCOUNTING REQUIREMENTS**

### **General**

66) The Company shall appoint an Accounting Officer and shall notify the Secretary of State of that appointment.

67) In relation to the use of grant paid to the Company by the Secretary of State, the Company shall abide by the requirements of, and have regard to the guidance in, the Academies Financial Handbook published by the DfE and amended from time to time and as modified to take account of the fact that the Company manages more than one Academy, which sets out in detail provisions for the financial management of each Academy including guidance on financial systems and controls and accounting and reporting requirements, in so far as these are not inconsistent with any accounting and reporting requirements and guidance that it may be subject to by virtue of its being a charity.

67A) The Company shall abide by the requirements of the current 16 to 19 Funding Guidance published by the Secretary of State and as amended from time to time, or such other guidance on 16 to 19 funding issued by the Secretary of State as may from time to time be applicable, in respect of any its provision for persons who are above compulsory school age until the academic year in which they reach the age of 19.

68) The formal budget plan must be approved each Academy Financial Year by the Directors of the Company.

69) Any payment of grant by the Secretary of State in respect of each Academy is subject to his being satisfied as to the fulfilment by the Company of the following conditions:

- a) in its conduct and operation it shall apply financial and other controls which conform to the requirements both of propriety and of good financial management;
- b) arrangements have been made to maintain proper accounting records and that statements of income and expenditure and balance sheets may be produced in such form and frequency as the Secretary of State may from time to time reasonably direct;
- c) in addition to the obligation to fulfil the statutory requirements referred to in sub-clause f) below, the Company shall prepare its financial statements, Directors' report, Annual Accounts and its Annual Return for each Academy Financial Year in accordance with the Statement of Recommended Practice as issued by the Charity Commission and updated from time to time as if the Company was a non-exempt Charity and/or in such form or manner and by such date as the Secretary of State may reasonably direct and shall file these with the Secretary of State and the Principal Regulator each Academy Financial Year;
- d) a statement of the accounting policies used should be sent to the Secretary of State with the financial statements and should carry an audit report stating that, in the opinion of the auditors, the statements show a true and fair view

of the Company's affairs and that the grants were used for the purposes intended;

- e) the Company shall ensure that its accounts are audited annually by independent auditors appointed under arrangements approved by the Secretary of State;
- f) the Company prepares and files with the Companies Registry such annual accounts as are required by the Companies Act 2006;
- g) the Company shall publish on its website its Annual Accounts, Annual Report, Memorandum, Articles, Funding Agreement and a list of the names of the Directors of the Company; and
- h) the Company insures or procures insurance by another person of its assets in accordance with normal commercial practice or under the terms of any subsisting leases in respect of the leasehold interest of the site upon which each Academy is situated.

70) In addition, and at his expense, the Secretary of State may instruct auditors to report to him on the adequacy and effectiveness of the accounting systems and internal controls maintained by the Company to standards determined by the Secretary of State and to make recommendations for improving the financial management of the Company.

71) The books of accounts and all relevant records, files and reports of the Company including those relating to financial controls, shall be open at all reasonable times to officials of the DfE and the National Audit Office and to contractors retained by the DfE or the National Audit Office for inspection or the carrying out of value for money studies; and the Company shall secure that those officials and contractors are given reasonable assistance with their enquiries. For the purposes of this clause 'relevant' means in any way relevant to the provision and use of grants provided by the Secretary of State under this Agreement.

72) The Company shall submit information in relation to the finances of each Academy to the Secretary of State in accordance with the requirements of the



Academies Financial Handbook as amended from time to time or as otherwise specified from time to time by the Secretary of State.

73) At the beginning of any Academy Financial Year the Company may hold unspent GAG for any Academy from previous Academy Financial Years amounting to such percentage (if any) as for the time being specified in the Academies Financial Handbook or otherwise as the Secretary of State may specify by notice in writing to the Company prior to the beginning of that Academy Financial Year of the total GAG payable for the Academy in the Academy Financial Year just ended or such higher amount as may from time to time be agreed. The Company shall use such carried forward amount for such purpose, or subject to such restriction on its use, as for the time being specified in the Academies Financial Handbook or otherwise as the Secretary of State may specify by notice in writing to the Company.

74) Notwithstanding clause 73 any additional grant provided over and above that:

a) set out in clauses 43-49 in relation to Mainstream Free Schools and made in accordance with clause 50 of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant Mainstream Free School may be carried forward without limitation or deduction until the Start-up Period (as this period is defined in the Supplemental Agreement for the relevant Mainstream Free School) or the circumstances set out in clause 50 of this Agreement come to an end;

b) set out in clauses 53-54 in relation to Special Free Schools and made in accordance with clause 54F of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant Special Free School may be carried forward without limitation or deduction until the Start-up Period (as such period is defined in the Supplemental Agreement for the relevant Special Free School) or the circumstances set out in clause 54F come to an end;

c) set out in clause 54J in relation to alternative provision Free Schools and made in accordance with clause 54M of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant alternative provision Free School may be carried forward without limitation or deduction until the Start-up Period (as

such period is defined in the Supplemental Agreement for the relevant alternative provision Free School) or the circumstances set out in clause 54M come to an end.

75) Any unspent GAG not allowed to be carried forward under clauses 73-74 may be taken into account in the payment of subsequent grant.

75A) If the Secretary of State pays grant not including GAG to the Company on condition either that such grant be used for a particular purpose or purposes or that such grant be used by a certain date, any failure on the part of the Company to use such grant for such a purpose or purposes or by such date may be taken into account by the Secretary of State either:

- (i) in the same Academy Financial Year that such grant is paid to the Company; or
- (ii) in the calculation and/or payment of any subsequent grant to the Company; or
- (iii) by an adjustment to the GAG paid by the Secretary of State to the Company in the following Academy Financial Year or Academy Financial Years.

75B) If the Secretary of State or his agents pay any grant to the Company which includes an amount to cover the VAT which will be payable by the Company in using any such grant for the purposes intended, the Company shall, having paid the VAT to a third party for any goods or services it has purchased from such a third party, where entitled, promptly and, in any event, as soon as is reasonably practicable, submit a VAT reclaim application to Her Majesty's Revenue and Customs (HMRC) in respect of such VAT payment. Any failure, on the part of the Company to submit a VAT reclaim application to HMRC or repay the amount recouped to the Secretary of State as soon as reasonably practicable following the receipt of any such payment from HMRC may be taken into account by the Secretary of State either:

- (a) in the same Academy Financial Year that any such grant is paid to the



Company; or

(b) in the calculation and/or payment of any subsequent grant to the Company;  
or

(c) by an adjustment to the GAG paid by the Secretary of State to the Company  
in the following Academy Financial Year or Academy Financial Years.

75C) GAG paid by the Secretary of State shall only be used by the Company for the educational charitable purpose of advancing for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies offering a broad and balanced curriculum. Such funds shall not be used by the Company for any other charitable purpose without the prior written consent of the Secretary of State, except where the use of such funds for that charitable purpose is merely incidental to their use for the educational charitable purpose of advancing for the public benefit education in the United Kingdom.

76) The Company may also spend or accumulate funds from private sources or public sources other than grants from the Secretary of State for application to the benefit of an Academy as it sees fit. Any surplus arising from private sources or public sources other than grants from the Secretary of State shall be separately identified in the Company's balance sheet.

77) The Company shall not, in relation to assets or property funded (whether in whole or in part) by the Secretary of State or otherwise coming within the meaning of publicly funded land as defined by paragraph 22(3) of Schedule 1 to the Academies Act 2010, without the prior written consent of the Secretary of State which shall not be unreasonably withheld or delayed:

a) except such as are given in normal contractual relations, give any guarantees, indemnities or letters of comfort above a value as for the time being specified in the Academies Financial Handbook or otherwise as the Secretary of State may specify by notice in writing to the Company from time to time;

- b) write off any debts or liabilities owed to it, nor offer to make any ex gratia payments (such as staff severance or compensation payments), above a value as for the time being specified in the Academy Financial Handbook or otherwise as the Secretary of State may specify by notice in writing to the Company from time to time;
- c) except as may be permitted in the Academy Financial Handbook or otherwise as the Secretary of State may specify by notice in writing to the Company, make any sale or purchase of or otherwise dispose of freehold or leasehold property including entering into a contract to dispose of land or granting an option to acquire an interest in land; or
- d) take up any leasehold or tenancy agreement for a term exceeding three years.

78) The Company shall provide 30 days' prior written notice to the Secretary of State, whether or not the circumstances require the Secretary of State's consent, of its intention to:

- a) give any guarantees, indemnities or letters of comfort;
- b) write off any debts owed to it or offer to make any ex gratia payments;
- c) make any sale or purchase of or otherwise dispose of freehold or leasehold property including entering into a contract to dispose of land or granting an option to acquire an interest in land; or
- d) take up any leasehold or tenancy agreement for a term exceeding three years.

79) Each discovered loss of an amount exceeding the amount for the time being specified by the Secretary of State and arising from suspected theft or fraud, shall be reported by the Company to the Secretary of State at the earliest opportunity.

80) It is the responsibility of the Company to ensure that each Academy balances its budget from Academy Financial Year to Academy Financial Year. For the avoidance of doubt, this does not prevent the Company from:

- a) subject to clause 73, carrying a surplus from one Academy Financial Year to the next; or
- b) carrying forward from a previous Academy Financial Year or Academy Financial Years a sufficient surplus or sufficient cumulative surpluses on grants from the Secretary of State to meet an in-year deficit on such grants in a subsequent financial year; or
- c) incurring an in-year deficit on funds from sources other than grants from the Secretary of State in any Academy Financial Year, provided it does not affect the Company's responsibility to ensure that the Company balances its overall budget from Academy Financial Year to Academy Financial Year.

80A) The Company shall abide by the requirements of and have regard to the Charity Commission's guidance to charities and charity trustees and in particular the Charity Commission's guidance in the Protecting Charities from Harm ('the compliance toolkit') and in CC9: Speaking Out, Campaigning and Political Activities by Charities, as amended from time to time. Any references in such guidance which require charity trustees to report to the Charity Commission should instead be interpreted as references to report to the Principal Regulator..

### **Borrowing Powers**

81) Except as may be permitted by the Academies Financial Handbook (and amended from time to time) or otherwise as the Secretary of State may specify by notice in writing to the Company, the Company shall not borrow against or so as to put at risk property or assets funded (whether in whole or in part) by the Secretary of State without specific approval of the Secretary of State. The Company shall not operate an overdraft except to cover irregularities in cash flow. Such an overdraft, and the maximum amount to be borrowed, must be approved by the Company in a General Meeting and in writing by the Secretary of State, and shall be subject to any conditions which the Secretary of State may reasonably impose.

82) The Company shall provide 30 days' written notice to the Secretary of State of its intention to borrow, whether or not such borrowing requires the Secretary of State's approval under clause 81 above.

### **Disposal of Assets**

83) Where the Company acquires assets for a nil consideration or at an under value it shall be treated for the purpose of this Agreement as having incurred expenditure equal to the market value of those assets at the time that they were acquired. This provision shall not apply to assets transferred to the Company at nil or nominal consideration and which were previously used for the purposes of an Academy and/or were transferred from an LA, the value of which assets shall be disregarded.

84) The sale or disposal by other means, or reinvestment of proceeds from the disposal, of a capital asset by the Company shall require the consent of the Secretary of State, such consent not to be unreasonably withheld or delayed, where:

- a) the Secretary of State paid capital grant in excess of the value for the time being specified by the Secretary of State for the asset; or
- b) the asset was transferred to the Company from an LA for no or nominal consideration.

85) Furthermore, reinvestment of a percentage of the proceeds of disposal of a capital asset paid for with a capital grant from the Secretary of State shall require the Secretary of State's consent in the circumstances set out above and reinvestment exceeding the value for the time being specified by the Secretary of State or with other special features will be subject to Parliamentary approval. The percentage of the proceeds for which consent is needed is the percentage of the initial price of the asset which was paid by capital grant from the Secretary of State.

86) This clause applies in the event, during the lifetime of this Agreement, of the disposal of a capital asset for which capital grant of any amount was paid by the

Secretary of State, where the asset was acquired by the Company. In this event, the Company shall repay to the Secretary of State the same proportion of the proceeds of the disposal as equates with the proportion of the original cost met by the Secretary of State, unless the Secretary of State agrees to some or all of the proceeds being retained by the Company for its charitable purposes.

87) This clause applies in the event, during the lifetime of this Agreement, that the Secretary of State consents to the disposal of an asset which was transferred to the Company from an LA for no or nominal consideration. In this event the Secretary of State may give consent on the basis that all or part of the proceeds of the disposal should be made over to the LA from which the asset was transferred, taking into account the amount of the proceeds to be reinvested by the Company. The Secretary of State will have regard to any representations from the Company and the LA from which the asset was transferred before giving consent under this clause.

88) Except with the consent of the Secretary of State, the Company shall not dispose of assets funded (whether in whole or in part) by the Secretary of State for a consideration less than the best price that can reasonably be obtained, such consent not to be unreasonably withheld or delayed.

89) The Company shall provide 30 days' written notice to the Secretary of State of its intention to dispose of assets for a consideration less than the best price that can reasonably be obtained, whether or not such disposal requires the Secretary of State's consent under clause 88 above.

## **TERMINATION**

### **General**

90) This Agreement shall commence on the date hereof and continue until terminated in accordance with clauses 91, 93, 93A or until all Supplemental Agreements have terminated.

91) The Secretary of State may at any time by notice in writing terminate this Agreement and each of the Supplemental Agreements such termination to take

effect on the date of the notice, on the occurrence, or where in his reasonable opinion there is a serious risk of occurrence, of any of the following events:-

- a) the Company calls a meeting of its creditors (whether formal or informal) or enters into any composition or arrangement (whether formal or informal) with its creditors; or
- b) the Company proposes a voluntary arrangement within Section 1 of the Insolvency Act 1986 (as amended); or
- c) the Company is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 provided that, for the purposes of this Clause, Section 123 (1)(a) of the Insolvency Act 1986 shall have effect as if the amount of £10,000 was substituted for £750. The Company shall not be deemed unable to pay its debts for the purposes of this clause if any such demand as is mentioned in the said Section is being contested in good faith by the Company; or
- d) the Company has a receiver and manager (with the exception of Receivers and Managers or Interim Managers appointed by the Charity Commission under the Charities Act 2011 or any subsequent re-enactment of that Act), administrator or administrative receiver appointed over all or any part of its undertakings, assets or income; or
- e) any distraint, execution or other process is levied or enforced on any of the Company's property and is not paid out, withdrawn or discharged within fifteen Business Days; or
- f) the Company has passed a resolution for its winding up; or
- g) an order is made for the winding up or administration of the Company.

92) The Company shall notify the Secretary of State as soon as possible after receiving any petition which may result in an order for the winding up or administration of the Company and shall provide an explanation to the Secretary of State of the circumstances giving rise to the service of such a petition.



93) If the Secretary of State is satisfied that any Director or Member of the Company is not a suitable person he may:

- (a) in relation to such a Director or Member serve notice in writing to the Company requiring the Company to procure the resignation or removal of the person(s) within 42 days of the date of the notice; and if the Company fails to procure the said resignation or removal within the time specified, the Secretary of State may terminate this Agreement by notice in writing to the Company such termination to take effect on the date of the notice; or
- (b) terminate this Agreement by notice in writing to the Company such termination to take effect on the date of the notice.

#### **Change of Control of the Company**

93A) The Secretary of State may at any time, subject to clause 93C) below, terminate this Agreement by notice in writing to the Company such termination to take effect on the date of the notice in the event that there is a change:

- (a) in the Control of the Company;
- (b) in the Control of a legal entity that Controls the Company.

Provided that where a person ('P') is a member or director of the body corporate (as a corporation sole or otherwise) by virtue of an office, no change of Control arises merely by P's successor becoming a member or director in P's place.

93B) The Company shall, as soon as it is reasonably practicable to do so after it has become aware of any change or proposed change of Control within the meaning of clause 93A), give written notice to the Secretary of State of such change or proposed change of control.

93C) At the time of notifying the Secretary of State in accordance with 93B) above, the Company may seek the Secretary of State's agreement that, if the Secretary of State is satisfied that the person assuming the Control is suitable, he will not in

those circumstances exercise his right to terminate this Agreement further to clause 93A).

94) Not used.

## **GENERAL**

### **Information**

95) Without prejudice to any other provision of this Agreement, the Secretary of State acting reasonably may from time to time call for information on any Mainstream Free School or Special Free School relating to, but not restricted to, the following matters:

- a) curriculum;
- b) arrangements for the assessment of pupils;
- c) teaching staff including numbers, qualifications, experience, salaries, and teaching loads;
- d) class sizes;
- e) outreach work with other schools and the local community;
- f) operation of the admission criteria and over subscription arrangements for the Academy including numbers of applications for places and the number and characteristics of pupils accepted for admission – for Mainstream Academies only;
- g) numbers of pupils excluded (including permanent and fixed term exclusions);
- h) levels of authorised and unauthorised attendance;
- i) charging and remissions policies and the operation of those policies;
- j) organisation, operation and building management;
- k) financial controls;



l) compliance with the requirements of the Charity Commission's guidance to charities and charity trustees and in particular the Charity Commission's guidance in the Protecting Charities from Harm ('the compliance toolkit') and in CC9: Speaking Out, Campaigning and Political Activities by Charities, as amended from time to time; and

m) membership and proceedings of the Company and the Local Governing Body together with any other relevant information concerning the management or governance of the Academy which, subject to clause 99), is reasonably necessary for the Secretary of State to carry out his functions generally and in relation to this Agreement or the relevant Supplemental Agreement.

95A) Without prejudice to any other provision of this Agreement, the Secretary of State acting reasonably may from time to time call for information on any alternative provision Free School relating to, but not restricted to, the following matters:

- a) curriculum and the provision generally (including specifically for SEN pupils);
- b) arrangements for the assessment of pupils and any information about pupil progress, achievement and attainment;
- c) staff including numbers, qualifications, experience, salaries, and teaching loads;
- d) class sizes and pupil organisation;
- e) outreach work with other schools and the local community;
- f) operation of the referral and reintegration processes for the alternative provision Free School including numbers of requested referrals, the number of referrals that have been refused and the reasons for the refusal in each case and the number and characteristics of pupils accepted for admission and destinations/outcomes of pupils/former pupils;
- g) numbers of pupils excluded (including permanent and fixed term exclusions), characteristics of pupils excluded, reasons for exclusions, outcomes of any independent review panels;
- h) levels of authorised and unauthorised absence;

- i) charging and remissions policies and the operation of those policies;
- j) organisation, operation and building management;
- k) financial controls;
- l) compliance with the requirements of the Charity Commission's guidance to charities and charity trustees and in particular the Charity Commission's guidance in the Protecting Charities from Harm ('the compliance toolkit') and in (CC9): "Speaking Out: Guidance on Campaigning and Political Activities by Charities", as amended from time to time; and
- m) membership and proceedings of the Company and Local Governing Body together with any other relevant information concerning the management or governance of the Academy which, subject to clause 99), is reasonably necessary for the Secretary of State to carry out his functions generally and in relation to this Agreement or the relevant Supplemental Agreement.

95B) Without prejudice to any other provision of this Agreement, the Secretary of State acting reasonably may from time to time call for information on any 16 to 19 Free School relating to, but not restricted to, the following matters:

- a) curriculum;
- b) arrangements for the assessment of students;
- c) teaching staff including numbers, qualifications, experience, salaries, and teaching loads;
- d) class sizes;
- e) outreach work with other educational institutions and the local community;
- f) operation of the admission criteria and over subscription arrangements for the Academy including numbers of applications for places and the number and characteristics of students accepted for admission;
- g) numbers of students excluded (including permanent and fixed term exclusions);
- h) levels of authorised and unauthorised absence;

- i) charging and remissions policies and the operation of those policies;
- j) organisation, operation and building management;
- k) financial controls;
- l) compliance with the requirements of the Charity Commission's guidance to charities and charity trustees and in particular the Charity Commission's guidance in the Protecting Charities from Harm ('the compliance toolkit') as amended from time to time;
- m) membership and proceedings of the Governing Body together with any other relevant information concerning the management or governance of the Academy which, subject to clause 99), is reasonably necessary for the Secretary of State to carry out his functions generally and in relation to this Agreement.

96) The Company shall make such information available to the Secretary of State, in such form and manner and at such times as may reasonably be required. The Secretary of State shall provide the Company with such information as it may reasonably require of him for the running of an Academy.

96A) (i) The Company shall provide to the Secretary of State the name of any new or replacement Member or Director of the Company, whether such a person has been appointed or elected, together with the date of such an appointment or election and, where applicable, the name of the Member or Director such a person replaces as soon as is practicable and in any event within 14 days of the appointment or election of such a person.

96A) (ii) In this regard, the Company shall not appoint any new or replacement Members or Directors of the Company until it has first (a) notified such persons that their name shall be shared with the Secretary of State and (b) explained to the new or replacement Members or Directors of the Company that the reason their name is being shared with the Secretary of State is to enable the Secretary of State to assess their suitability.

96B) In relation to 16 to 19 Free Schools, the Company agrees to comply with the "Specification of the Individualised Learner Record for 2012/13" published by Information Authority as may be amended or replaced from time to time.

#### **Access by the Secretary of State's Officers**

97) The Company shall allow access to the premises of any Academy at any reasonable time to DfE officials and/or agents of the Secretary of State. All records, files and reports relating to the running of the Company and each Academy shall be available to them at any reasonable time. The Company shall provide the Secretary of State in advance with papers relating to each Academy prepared for meetings of the Local Governing Body, of the Company's directors and of the members of the Company. Two DfE officials shall be entitled to attend and to speak at all such meetings, but shall withdraw from any discussion of an Academy's or the Company's relationship with the Secretary of State or any discussion of bids for funding to the Secretary of State. The Company shall take any steps which are required to secure its compliance with the obligations imposed by this clause of this Agreement.

98) The Company shall ensure that:

- a) the agenda for every meeting of the relevant Local Governing Body and the Company's directors;
- b) the draft minutes of every such meeting, if they have been approved by the person acting as chairman of that meeting;
- c) the signed minutes of every such meeting; and
- d) any report, document or other paper considered at any such meeting,

are made available for inspection by any interested party at the relevant Academy and, as soon as is reasonably practicable, sent to the Secretary of State upon request.

99) There may be excluded from any item required to be made available for inspection by any interested party and to be sent to the Secretary of State by virtue of clause 98, any material relating to:

- a) a named teacher or other person employed, or proposed to be employed, at any Academy;
- b) a named pupil or student at, or candidate for admission to, any Academy; and
- c) any matter which, by reason of its nature, the Company is satisfied should remain confidential.

#### **Notices**

100) A notice or communication given to a party under or in connection with this Agreement:

- (a) shall be in writing and in English;
- (b) shall be sent to the party for the attention of the contact and at the address listed in clause 100A);
- (c) shall be sent by a method listed in clause 100C); and
- (d) is deemed received as set out in clause 100C) if prepared and sent in accordance with this clause.

100A) The parties' addresses and contacts are:

Name of Party	Position of Contact	Address
Secretary of State	Head of Free Schools Division	Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT
The Company	Hamid Patel	31 Bicknell Street, Blackburn, Lancashire, BB1 7EY

100B) A party may change its details given in the table in clause 100A) by giving notice, the change taking effect for the party notified of the change at 9.00 am on the date five Business Days after deemed receipt of the notice.

100C) Any notice or other communication required to be given to a party under or in connection with this Agreement shall be delivered by hand or sent by pre-paid first-class post or other next working day delivery service. Any notice or communication shall be deemed to have been received if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the address specified in Clause 100A), or otherwise at 9.00 am on the second Business Day after posting.

100D) This clause does not apply to the service of any proceedings or other documents in any legal action. For the purposes of clause 100), "writing" shall not include e-mail.

101) The service by the Secretary of State of a notice of termination of a Supplemental Agreement shall not prejudice the ability of the Company (if it wishes to do so) during the notice period to admit pupils or students to the relevant Academy in accordance with the provisions of this Agreement and the relevant Supplemental Agreement and to receive GAG and EAG in respect of them.

102) Not used.

### **General**

103) This Agreement shall not be assignable by the Company.

103A) No delay, neglect or forbearance on the part of the Secretary of State in enforcing (in whole or in part) any provision of this Agreement or in exercising (in whole or in part) any right conferred on him by this Agreement shall be or be deemed to be a waiver of such provision or right or remedy or a waiver of any other provision or right or shall in any way prejudice any right of the Secretary of State under this Agreement or shall amount to an election not to enforce such provision or exercise such right (including, for the avoidance of doubt, any right to terminate this Agreement)..

104) The Secretary of State and the Company recognise the difficulties in catering in this Agreement and the Supplemental Agreements for all the circumstances which may arise in relation to the Academies and undertake in good faith to conduct such consultations as may from time to time be desirable in order to promote the interests of the Academies throughout the currency of this Agreement.

105) Termination of this agreement, for any reason, shall not affect the accrued rights, remedies, obligations or liabilities of the parties existing at termination.

106) This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

107) This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

108) The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

This Agreement was executed as a Deed on 19 August 2013

Executed on behalf of Tauheedul Free Schools Trust by:

**Either**

.....

**Director**

In the presence of:

Witness.....

Address.....

Occupation.....

**Or**



.....

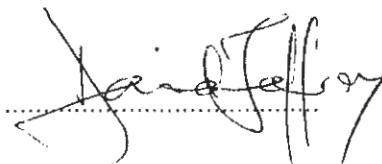
**Director**

@Hamed Patel

.....

**Director/Secretary**

The Corporate Seal of the Secretary of State for Education, hereunto affixed is authenticated by:



**Duly Authorised**





23<sup>rd</sup> August 2012

THE COMPANIES ACT 2006

A COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

TAUHEEDUL FREE SCHOOLS' TRUST

COMPANY NUMBER: 07353849

THE COMPANIES ACT 2006  
COMPANY LIMITED BY GUARANTEE  
ARTICLES OF ASSOCIATION  
OF  
**TAUHEEDUL FREE SCHOOLS' TRUST**

INTERPRETATION

1. In these Articles:-

- a. "the Academies" means all the schools referred to in Article 5(h) and established by the Company (and "Academy" shall mean any one of those schools);
- b. "Academy Financial Year" means the academic year from 1<sup>st</sup> of September to 31<sup>st</sup> of August in any year;
- c. "Academy Directors" means the Directors appointed pursuant to Articles 51, 52 or 52A and Academy Director shall mean any one of those Directors;
- d. "Additional Directors" means the Directors appointed pursuant to Article 61 and 61A;
- e. "the Articles" means these Articles of Association of the Company;
- f. "Chief Executive Officer" means such person as may be appointed by the Directors as the Chief Executive Officer of the Company;
- g. "Chief Inspector" means Her Majesty's Chief Inspector of Education, Children's Services and Skills or his successor;
- h. "clear days" in relation to the period of a notice means the period excluding the day when the notice is given or deemed to be given and the day on which it is given or on which it is to take effect;
- i. "the Company" means save as otherwise defined at Article 6.9 the company intended to be regulated by these Articles and referred to in

Article 2;

- j. “the Directors” means save as otherwise defined at Article 6.9 the directors of the Company (and “Director” means any one of those directors);
- k. “financial expert” means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000;
- l. “Further Directors” means the Directors appointed pursuant to Article 62 ;
- m. “the LAs” means all the local authorities covering the areas in which the Academies are situated (and “the LA” shall mean any one of these local authorities);
- n. “Local Authority Associated Persons” means any person associated with any local authority within the meaning given in section 69 of the Local Government and Housing Act 1989;
- o. “Local Governing Bodies” means the committees appointed pursuant to Articles 100-104 (and “Local Governing Body” means any one of these committees );
- p. “Member” means a member of the Company and someone who as such is bound by the undertaking contained in Article 8 ;
- q. “Office” means the registered office of the Company;
- r. “Parent Directors” means the Directors appointed pursuant to Articles 53 – 56 inclusive.
- s. “Principals” means the head teachers of the Academies (and “Principal” means any one of these head teachers);
- t. “Principal Regulator” means the body or person appointed as the Principal Regulator under the Charities Act 2006;
- u. “Relevant Funding Agreements” means the agreement or agreements entered into by the Company and the Secretary of State under section 1 of the Academies Act 2010 for the establishment of each Academy, including any variation or supplemental agreements thereof;

- v. "the seal" means the common seal of the Company if it has one;
- w. "Secretary" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
- x. "Secretary of State" means the Secretary of State for Education or successor;
- y. "Staff Director" means an employee of the Company who may be appointed as a Director pursuant to Article 50A;
- z. "teacher" means a person employed under a contract of employment or a contract for services or otherwise engaged to provide his services as a teacher at one or more Academies;
- aa. "the Trust" means Tauheedul Islam Faith and Education Community Trust
- bb. "the United Kingdom" means Great Britain and Northern Ireland;
- cc. "the Values" means:
  - a. Faith in action – enriching and changing the lives of individuals young and old and of communities by promoting equity, nobility, compassion and responsibility;
  - b. Integrity – a sincere, whole-hearted and determined commitment to the whole community rather than a strategy to convert;
  - c. Excellence – creating an environment of aspiration and hope through a commitment to fulfilling the unique potential of individuals and the shared potential of communities;
  - d. Unity (Britishness) – bringing Muslims together and being a bridge between Muslims and other communities, including other faith communities;
  - e. Citizenship (Big Society) – building a good and inclusive society in which people participate and to which they offer their time and talents;
  - f. Innovation – balancing tradition and modernity in a contemporary technological environment to achieve transformation and find the next

generation of inventors, creators and thinkers;

- g. Leadership – building models for servant leadership and shared leadership in communities and in the public sector consistent with these Values and developing leaders as role models and coaches.
  - dd. words importing the masculine gender only shall include the feminine gender. Words importing the singular number shall include the plural number, and vice versa;
  - ee. subject as aforesaid, words or expressions contained in these Articles shall, unless the context requires otherwise, bear the same meaning as in the Companies Act 2006, as appropriate;
  - ff. any reference to a statute or statutory provision shall include any statute or statutory provision which replaces or supersedes such statute or statutory provision including any modification or amendment thereto.
- 2. The Company's name is Tauheedul Free Schools' Trust (and in this document it is called "**the Company**").
  - 3. The Company's registered office is to be situated in England and Wales.

#### OBJECTS

- 4. The Company's object ("**the Object**") is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("**the Academies**") with a designated Islamic religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and ethos of Islam, both generally and in particular in relation to arranging for religious education and daily acts of worship as required by the Funding Agreement.
- 5. In furtherance of the Object but not further or otherwise the Company may exercise the following powers:-
  - (a) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to operate bank accounts in the name of the Company;
  - (b) to raise funds and to invite and receive contributions provided that in

- raising funds the Company shall not undertake any substantial permanent trading activities and shall conform to any relevant statutory regulations;
- (c) to acquire, alter, improve and (subject to such consents as may be required by law) to charge or otherwise dispose of property;
  - (d) subject to Article 6 below to employ such staff, as are necessary for the proper pursuit of the Object and to make all reasonable and necessary provision for the payments of pensions and superannuation to staff and their dependants;
  - (e) to establish or support, whether financially or otherwise, any charitable trusts, associations or institutions formed for all or any of the Object;
  - (f) to co-operate with other charities, other independent and maintained schools, voluntary bodies and statutory authorities operating in furtherance of the Object and to exchange information and advice with them;
  - (g) to pay out of funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company;
  - (h) to establish, maintain, carry on, manage and develop the Academies at locations to be determined by the Directors;
  - (i) to offer scholarships, exhibitions, prizes and awards to pupils and former pupils, and otherwise to encourage and assist pupils and former pupils;
  - (j) to provide educational facilities and services to students of all ages and the wider community for the public benefit;
  - (k) to carry out research into the development and application of new techniques in education in particular in relation to the areas of curricular specialisation of each of the Academies and to their approach to curriculum development and delivery and to publish the results of such research, and to develop means of benefiting from application of the experience of industry, commerce, other schools and the voluntary sector to the education of pupils in academies;
  - (l) subject to such consents as may be required by law and/or by any contract entered into by or on behalf of the Company, to borrow and raise money for the furtherance of the Object in such manner and on such security as the Company may think fit;
  - (m) to deposit or invest any funds of the Company not immediately required for the furtherance of its object (but to invest only after obtaining such

advice from a financial expert as the Directors consider necessary and having regard to the suitability of investments and the need for diversification);

(n) to delegate the management of investments to a financial expert, but only on terms that:

- (i) the investment policy is set down in writing for the financial expert by the Directors;
- (ii) every transaction is reported promptly to the Directors; the performance of the investments is reviewed regularly with the Directors;
- (iii) the Directors are entitled to cancel the delegation arrangement at any time;
- (iv) the investment policy and the delegation arrangement are reviewed at least once a year;
- (v) all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Directors on receipt; and
- (vi) the financial expert must not do anything outside the powers of the Directors;

(o) to arrange for investments or other property of the Company to be held in the name of a nominee company acting under the control of the Directors or of a financial expert acting under their instructions, and to pay any reasonable fee required;

(p) to provide indemnity insurance to cover the liability of Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Company: Provided that any such insurance shall not extend to any claim arising from any act or omission which the Directors knew to be a breach of trust or breach of duty or which was committed by the Directors in reckless disregard of whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as Directors;

(q) to establish subsidiary companies to carry on any trade or business for the purpose of raising funds for the Company;

(r) to do all such other lawful things as are necessary for or are incidental to or conducive to the achievement of the Object.

5A It is intended that the curriculum and ethos of the Academies will place an emphasis on, and include a commitment to students learning about, the Values with the aim of encouraging all students in care and service for individuals and communities, not only while they are students but during the rest of their lives. The Company commits itself, so far as is lawful in the light of the Object, to conduct its affairs in a manner consistent with the Values.

6.1 The income and property of the Company shall be applied solely towards the promotion of the Object.

6.2 None of the income or property of the Company may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the Company. Nonetheless a member of the Company who is not also a Director may:

a) benefit as a beneficiary of the Company;

b) be paid reasonable and proper remuneration for any goods or services supplied to the Company;

c) be paid rent for premises let by the member of the Company if the amount of the rent and other terms of the letting are reasonable and proper; and

d) be paid interest on money lent to the Company at a reasonable and proper rate, such rate not to exceed 2 per cent per annum below the base lending rate of a UK clearing bank selected by the Directors, or 0.5%, whichever is the higher.

6.3 A Director may benefit from any indemnity insurance purchased at the Company's expense to cover the liability of the Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in



relation to the Company: Provided that any such insurance shall not extend to any claim arising from any act or omission which Directors knew to be a breach of trust or breach of duty or which was committed by the Directors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as directors of the Company.

6.4 A company, which has shares listed on a recognised stock exchange and of which any one Director holds no more than 1% of the issued capital of that company, may receive fees, remuneration or other benefit in money or money's worth from the Company.

6.5 A Director may at the discretion of the Directors be reimbursed from the property of the Company for reasonable expenses properly incurred by him or her when acting on behalf of the Company, but excluding expenses in connection with foreign travel.

6.6 No Director may:

- (a) buy any goods or services from the Company;
  - (b) sell goods, services, or any interest in land to the Company;
  - (c) be employed by, or receive any remuneration from the Company (other than the Chief Executive Officer (if appointed) whose employment and/or remuneration is subject to the procedure and conditions in Article 6.8);
  - (d) receive any other financial benefit from the Company;
- unless:
- (i) the payment is permitted by Article 6.7 and the Directors follow the procedure and observe the conditions set out in Article 6.8; or
  - (ii) the Directors obtain the prior written approval of the Charity Commission and fully comply with any procedures it prescribes.

6.7 Subject to Article 6.8, a Director may:

- a) receive a benefit from the Company in the capacity of a beneficiary of the

Company.

- b) be employed by the Company or enter into a contract for the supply of goods or services to the Company, other than for acting as a Director.
- c) receive interest on money lent to the Company at a reasonable and proper rate not exceeding 2% per annum below the base rate of a clearing bank to be selected by the Directors, or 0.5%, whichever is the higher.
- d) receive rent for premises let by the Director to the Company if the amount of the rent and the other terms of the lease are reasonable and proper.

6.8 The Company and its Directors may only rely upon the authority provided by Article 6.7 if each of the following conditions is satisfied:

- (a) the remuneration or other sums paid to the Director do not exceed an amount that is reasonable in all the circumstances.
- (b) the Director is absent from the part of any meeting at which there is discussion of:
  - i) his or her employment, remuneration, or any matter concerning the contract, payment or benefit; or
  - ii) his or her performance in the employment, or his or her performance of the contract; or
  - iii) any proposal to enter into any other contract or arrangement with him or her or to confer any benefit upon him or her that would be permitted under Article 6.7; or
  - (iv) any other matter relating to a payment or the conferring of any benefit permitted by Article 6.7.
- (c) the Director does not vote on any such matter and is not to be counted when calculating whether a quorum of Directors is present at the meeting.
- (d) save in relation to employing or contracting with the Chief Executive Officer (a Director pursuant to Article 57, if appointed) the other Directors are satisfied that it is in the interests of the Company to employ or to contract with that Director rather than with someone who is not a Director. In

reaching that decision the Directors must balance the advantage of employing a Director against the disadvantages of doing so (especially the loss of the Director's services as a result of dealing with the Director's conflict of interest).

(e) the reason for their decision is recorded by the Directors in the minute book.

(f) A majority of the Directors then in office have received no such payments or benefit.

6.8A The provision in Article 6.6 (c) that no Director may be employed by or receive any remuneration from the Company (other than the Chief Executive Officer if appointed) does not apply to an employee of the Company who is subsequently elected or appointed as a Director save that this Article shall only allow such a Director to receive remuneration or benefit from the Company in his capacity as an employee of the Company and provided that the procedure as set out in Articles 6.8(b)(i), (ii) and 6.8 (c) is followed.

6.9 In Articles 6.2-6.9:

(a) "company" shall include any company in which the Company:

holds more than 50% of the shares; or

controls more than 50% of the voting rights attached to the shares; or

has the right to appoint one or more Directors to the Board of the company.

(b) "Director" shall include any child, stepchild, parent, grandchild, grandparent, brother, sister or spouse of the Director or any person living with the Director as his or her partner

a. (c) the employment or remuneration of a Director includes the engagement or remuneration of any firm or company in which the Director is:

(i) a partner;

(ii) an employee;

- (iii) a consultant;
- (iv) a director;
- (v) a member; or
- (vi) a shareholder, unless the shares of the company are listed on a recognised stock exchange and the Director holds less than 1% of the issued capital.

7. The liability of the members of the Company is limited.
8. Every member of the Company undertakes to contribute such amount as may be required (not exceeding £10) to the Company's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the Company's debts and liabilities before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
9. If the Company is wound up or dissolved and after all its debts and liabilities (including any under section 483 of the Education Act 1996) have been satisfied there remains any property it shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other charity or charities having objects similar to the Object which prohibits the distribution of its or their income and property to an extent at least as great as is imposed on the Company by Article 6 above, chosen by the members of the Company at or before the time of dissolution and if that cannot be done then to some other charitable object.
10. No alteration or addition shall be made to or in the provisions of the Articles without the written consent of the Secretary of State.
11. No alteration or addition shall be made to or in the provisions of the Articles which would have the effect (a) that the Company would cease to be a company to which section 60 of the Companies Act 2006 applies; or (b) that the Company would cease to be a charity.

## MEMBERS

12. The Members of the Company shall comprise:
- a. the Trust;
  - b. such persons appointed by the Trust as the Trust shall determine;
  - c. 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose; and
  - d. any person appointed under Article 16.
13. Each of the persons entitled to appoint Members in Article 12 shall have the right from time to time by written notice delivered to the Office to remove any Member appointed by them and to appoint a replacement Member to fill a vacancy whether resulting from such removal or otherwise.
- 14. If any of the persons entitled to appoint Members in Article 12:
    - a) in the case of an individual, die or become legally incapacitated;
    - b) in the case of a corporate entity, cease to exist and are not replaced by a successor institution; or
    - c) becomes insolvent or makes any arrangement or composition with their creditors generallytheir right to appoint Members under these Articles shall vest in the remaining Members.
  - 15. Membership will terminate automatically if:
    - a) a Member (which is a corporate entity) ceases to exist and is not replaced by a successor institution;
    - b) a Member (which is an individual) dies or becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs; or
    - c) a Member becomes insolvent or makes any arrangement or composition with that Member's creditors generally.
16. The Members may agree unanimously in writing to appoint such additional Members as they think fit and may unanimously (save that the agreement of the Member(s) to be removed shall not be required) in writing agree to remove any such additional Members.

17. Every person nominated to be a Member of the Company shall either sign a written consent to become a Member or sign the register of Members on becoming a Member.

18. Any Member may resign provided that after such resignation the number of Members is not less than three. A Member shall cease to be one immediately on the receipt by the Company of a notice in writing signed by the person or persons entitled to remove him under Articles 13 or 16 provided that no such notice shall take effect when the number of Members is less than three unless it contains or is accompanied by the appointment of a replacement Member.

#### GENERAL MEETINGS

19. The Company shall hold an Annual General Meeting each year in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Provided that so long as the Company holds its first Annual General Meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such time and place as the Directors shall appoint. All general meetings other than Annual General Meetings shall be called General Meetings.

20. The Directors may call general meetings and, on the requisition of Members pursuant to the provisions of the Companies Act 2006, shall forthwith proceed to convene a general meeting in accordance with that Act. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any Member of the Company may call a general meeting.

#### NOTICE OF GENERAL MEETINGS

21. General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of Members having a right to attend and vote and together representing not less than 90% of the total voting rights at that meeting.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an Annual General Meeting, shall specify the meeting as such. The notice shall also state that the Member is entitled to appoint a proxy.

The notice shall be given to all the Members, to the Directors and auditors.

22. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

#### PROCEEDINGS AT GENERAL MEETINGS.

23. No business shall be transacted at any meeting unless a quorum is present. A Member counts towards the quorum by being present either in person or by proxy. Two persons entitled to vote upon the business to be transacted, each being a Member or a proxy of a Member or a duly authorised representative of a Member organisation shall constitute a quorum.
24. If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine.
25. The chairman, if any, of the Directors or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be the chairman.
26. If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be chairman.
27. A Director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting.

28. The chairman may, with the consent of a majority of the Members at a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
29. A resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Companies Act 2006, a poll may be demanded:-
- (a) by the chairman; or
  - (b) by at least two Members having the right to vote at the meeting; or,
  - (c) by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting.
30. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
31. The demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the chairman. The withdrawal of a demand for a poll shall not invalidate the result of a show of hands declared before the demand for the poll was made.
32. A poll shall be taken as the chairman directs and he may appoint scrutineers



(who need not be Members) and fix a time, date and place for declaring the results. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

33. A poll demanded on the election of the chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time, date and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent continuance of a meeting for the transaction of any business other than the question on which the poll is demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
34. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In other cases at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
35. A resolution in writing agreed by such number of members as required if it had been proposed at a general meeting shall be as effectual as if it had been passed at a general meeting duly convened and held provided that a copy of the proposed resolution has been sent to every Member. The resolution may consist of several instruments in the like form each agreed by one or more Members.

#### VOTES OF MEMBERS

36. On the show of hands every Member present in person shall have one vote.  
On a poll every Member present in person or by proxy shall have one vote.
37. Not used.
38. No Member shall be entitled to vote at any general meeting unless all moneys then payable by him to the Company have been paid.
39. No objections shall be raised to the qualification of any person to vote at any

general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

40. An instrument appointing a proxy shall be in writing, signed by or on behalf of the appointer and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve) -.

"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.

Signed on ..... 20[ ]"

41. Where it is desired to afford Members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve)-

"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.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed on .... 20[ ]"

42. The instrument appointing a proxy and any authority under which it is signed or a copy of such authority certified by a notary or in some other way approved by the Directors may -

(a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or

(b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll;

(c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any Director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

43. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote given or the poll demanded or (or in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

44. Any organisation which is a Member of the Company may by resolution of its board of directors or other governing body authorise such person as it thinks fit to

act as its representative at any meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the organisation which he represents as that organisation could exercise if it were an individual Member of the Company.

## DIRECTORS

45. The number of Directors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

46. Subject to Articles 48-49 and 63, the Company shall have the following Directors:

- a. a majority of the Directors shall be appointed under Article 50;
- b. any Staff Directors, if appointed under Article 50A;
- c. Academy Directors appointed under Article 51, Article 52 or Article 52A;
- d. the Chief Executive Officer (if appointed);
- e. a minimum of 2 Parent Directors appointed under Articles 53-56 ;
- f. any Additional Directors, if appointed under Article 61, 61A or 67A;
- g. any Further Directors, if appointed under Article 62 or Article 67A;
- h. up to 2 Directors, if appointed by the Secretary of State in accordance with the terms of any of the Relevant Funding Agreements following the provision of a notice by the Company to terminate that Relevant Funding Agreement.

47. The Company may also have any Co-opted Director appointed under Article 58.

48. The first Directors shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

49. Future Directors shall be appointed or elected, as the case may be, under these Articles. Where it is not possible for such a Director to be appointed or elected due to the fact that an Academy has not yet been established or any Chief Executive Officer has not been appointed, then the relevant Article or part thereof shall not apply.

## APPOINTMENT OF DIRECTORS

50. A majority of the Directors shall be appointed by the Trust.

50A. The Members may appoint Staff Directors through such process as they may determine provided that the total number of Directors including the Chief Executive Officer (if appointed) who are employees of the Company does not exceed one third of the total number of Directors.

## ACADEMY DIRECTORS

51. Subject to Articles 52 and 52A, the chairman of each Local Governing Body shall be an Academy Director for as long as he remains in office as such and shall be appointed by the Directors of the Company but they shall appoint as the chairman of a Local Governing Body someone other than the Chief Executive Officer (if appointed).

52. Subject to Article 52A, if the number of Academies exceeds 5, the chairmen of the Local Governing Bodies shall elect 5 persons from amongst their numbers to be the Academy Directors. Any person elected in accordance with this Article shall only remain an Academy Director for as long as he remains chairman of a Local Governing Body. The Directors shall make all necessary arrangements for, and determine all other matters relating to, the election of the Academy Directors in accordance with this Article. Any election of the Academy Directors which is contested shall be held by secret ballot.

52A. If the Company has established an Academy or Academies in each of the following regions (the boundaries of which shall be determined by the Members from time to time):

- a. the North
- b. the Midlands; and
- c. the South

then the Academy or Academies in each region shall appoint one Academy Director. Any Academy Director appointed under this Article 52A must be the chairman of the Local Governing Body of an Academy in the region he represents,

and shall be appointed in accordance with a procedure determined by the Members from time to time.

#### PARENT DIRECTORS

53. There shall be a minimum of 2 Parent Directors for every 10 or fewer Academies.

54. Parent Directors shall be elected by the Parent members of the Local Governing Bodies (who shall themselves have been elected or appointed in accordance with the terms of reference determined by the Directors from time to time) from amongst their number. The elected Parent Directors must be a parent of a registered pupil at one of the Academies at the time when he is elected.

54A. The number of Parent Directors required shall be made up by Parent Directors appointed by the Directors if the number of parents standing for election is less than the number of vacancies.

55. The Directors shall make all necessary arrangements for, and determine all other matters relating to, an election of the Parent Directors, including any question of whether a person is a parent of a registered pupil at one of the Academies. Any election of the Parent Directors which is contested shall be held by secret ballot.

56. In appointing a Parent Director the Directors shall appoint a person who is the parent of a registered pupil at an Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

#### CHIEF EXECUTIVE OFFICER

57. The Chief Executive Officer (if appointed) shall be a Director for as long as he remains in office as such.

#### CO-OPTED DIRECTORS

58. The Directors may appoint up to 3 Co-opted Directors. A 'Co-opted Director' means a person who is appointed to be a Director by being Co-opted by Directors

who have not themselves been so appointed. The Directors may not co-opt an employee of the Company as a Co-opted Director if thereby the number of Directors who are employees of the Company would exceed one third of the total number of Directors including any Chief Executive Officer.

#### APPOINTMENT OF ADDITIONAL DIRECTORS

59. The Secretary of State may give a warning notice to the Directors where he is satisfied—

- i) that the standards of performance of pupils at any of the Academies are unacceptably low, or
- ii) that there has been a serious breakdown in the way any of the Academies are managed or governed, or
- iii) that the safety of pupils or staff of any of the Academies is threatened (whether by a breakdown of discipline or otherwise).

60. For the purposes of Article 59 a 'warning notice' is a notice in writing by the Secretary of State to the Company delivered to the Office setting out—

- (a) the matters referred to in Article 59;
- (b) the action which he requires the Directors to take in order to remedy those matters; and
- (c) the period within which that action is to be taken by the Directors ('the compliance period').

61. The Secretary of State may appoint such Additional Directors as he thinks fit if the Secretary of State has:

- (a) given the Directors a warning notice in accordance with Article 59; and
- (b) the Directors have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance period.

61A The Secretary of State may also appoint such Additional Directors where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") an Academy receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or

replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by the predecessor school as defined in the Relevant Funding Agreement shall be regarded as the grade received by the Academy.

62. The Secretary of State may also appoint such Further Directors as he thinks fit if a Special Measures Termination Event (as defined in the Relevant Funding Agreement) occurs in respect of any Academy.

63. Within 5 days of the Secretary of State appointing any Additional or Further Directors in accordance with Articles 61, 61A or 62, any Directors appointed under Article 50 and holding office immediately preceding the appointment of such Directors, shall resign immediately and the Members' power to appoint Directors under Article 50 shall remain suspended until the Secretary of State removes one or more of the Additional or Further Directors.

#### TERM OF OFFICE

64. The term of office for any Director shall be 4 years , save that this time limit shall not apply to any Chief Executive Officer. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

#### RESIGNATION AND REMOVAL

65. A Director shall cease to hold office if he resigns his office by notice to the Company (but only if at least three Directors will remain in office when the notice of resignation is to take effect).

66. A Director shall cease to hold office if he is removed by the person or persons who appointed him. This Article does not apply in respect of a Parent Director or Academy Director.

67. Where a Director resigns his office or is removed from office, the Director or, where he is removed from office, those removing him, shall give written notice thereof to the Secretary.



67A. Where an Additional or Further Director appointed pursuant to Articles 61, 61A or 62 ceases to hold office as a Director for any reason, other than being removed by the Secretary of State, the Secretary of State shall be entitled to appoint an Additional or Further Director in his place.

#### DISQUALIFICATION OF DIRECTORS

68. No person shall be qualified to be a Director unless he is aged 18 or over at the date of his election or appointment. No current pupil of any of the Academies shall be a Director.

69. A Director shall cease to hold office if he becomes incapable by reason of mental disorder, illness or injury of managing or administering his own affairs.

70. A Director shall cease to hold office if he is absent without the permission of the Directors from all their meetings held within a period of six months and the Directors resolve that his office be vacated.

71. A person shall be disqualified from holding or continuing to hold office as a Director if—

- (a) his estate has been sequestrated and the sequestration has not been discharged, annulled or reduced; or
- (b) he is the subject of a bankruptcy restrictions order or an interim order.

72. A person shall be disqualified from holding or continuing to hold office as a Director at any time when he is subject to a disqualification order or a disqualification undertaking under the Company Directors Disqualification Act 1986 or to an order made under section 429(2)(b) of the Insolvency Act 1986 (failure to pay under county court administration order).

73. A Director shall cease to hold office if he ceases to be a Director by virtue of any provision in the Companies Act 2006 or is disqualified from acting as a trustee by virtue of section 72 of the Charities Act 1993 (or any statutory re-enactment or modification of that provision).

74. A person shall be disqualified from holding or continuing to hold office as a Director if he has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commission or the High Court on the grounds of any misconduct or mismanagement in the administration of the charity for which he was responsible or to which he was privy, or which he by his conduct contributed to or facilitated.

75. A person shall be disqualified from holding or from continuing to hold office as a Director at any time when he is:

- (a) included in the list kept by the Secretary of State under section 1 of the Protection of Children Act 1999; or
- (b) disqualified from working with children in accordance with Section 35 of the Criminal Justice and Court Services Act 2000; or
- (c) barred from regulated activity relating to children (within the meaning of section 3(2) of the Safeguarding Vulnerable Groups Act 2006)

76. A person shall be disqualified from holding or continuing to hold office as a Director if he is a person in respect of whom a direction has been made under section 142 of the Education Act 2002 or is subject to any prohibition or restriction which takes effect as if contained in such a direction.

77. A person shall be disqualified from holding or continuing to hold office as a Director where he has, at any time, been convicted of any criminal offence, excluding any that have been spent under the Rehabilitation of Offenders Act 1974 as amended, and excluding any offence for which the maximum sentence is a fine or a lesser sentence except where a person has been convicted of any offence which falls under section 72 of the Charities Act 1993.

78. After the first Academy has opened, a person shall be disqualified from holding or continuing to hold office as a Director if he has not provided to the chairman of the Directors a criminal records certificate at an enhanced disclosure level under section 113B of the Police Act 1997. In the event that the certificate discloses any information which would in the opinion of either the chairman or the Chief Executive

Officer (if appointed) confirm their unsuitability to work with children that person shall be disqualified. If a dispute arises as to whether a person shall be disqualified, a referral shall be made to the Secretary of State to determine the matter. The determination of the Secretary of State shall be final.

79. Where, by virtue of these Articles a person becomes disqualified from holding, or continuing to hold office as a Director; and he is, or is proposed, to become such a Director, he shall upon becoming so disqualified give written notice of that fact to the Secretary.

80. Articles 68 to 79 and Articles 97-98 also apply to any member of any committee of the Directors, including a Local Governing Body, who is not a Director.

#### SECRETARY TO THE DIRECTORS

81. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them. The Secretary shall not be a Director, or a Principal. Notwithstanding this Article, the Directors may, where the Secretary fails to attend a meeting of theirs, appoint any one of their number or any other person to act as Secretary for the purposes of that meeting.

#### CHAIRMAN AND VICE-CHAIRMAN OF THE DIRECTORS

82. The Directors shall each school year, at their first meeting in that year, elect a chairman and a vice-chairman from among their number. A Director who is employed by the Company shall not be eligible for election as chairman or vice-chairman.

83. Subject to Article 84, the chairman or vice-chairman shall hold office as such until his successor has been elected in accordance with Article 85.

84. The chairman or vice-chairman may at any time resign his office by giving notice in writing to the Secretary. The chairman or vice-chairman shall cease to hold office if—

meetings.

92. Before the Directors resolve at the relevant meeting on whether to confirm the resolution to remove the chairman or vice-chairman from office, the Director or Directors proposing his removal shall at that meeting state their reasons for doing so and the chairman or vice-chairman shall be given an opportunity to make a statement in response.

## POWERS OF DIRECTORS

93. Subject to provisions of the Companies Act 2006, the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all the powers exercisable by the Directors.

94. In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under the Articles the Directors shall have the following powers, namely:

- (a) to expend the funds of the Company in such manner as they shall consider most beneficial for the achievement of the Object and to invest in the name of the Company such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the Object;

- (b) to enter into contracts on behalf of the Company.

95. In the exercise of their powers and functions, the Directors may consider any advice given by the Chief Executive Officer (if appointed) and any other executive officer.

96. Any bank account in which any money of the Company is deposited shall be

operated by the Directors in the name of the Company. All cheques and orders for the payment of money from such an account shall be signed by at least two signatories authorised by the Directors.

## CONFLICTS OF INTEREST

97. Any Director who has or can have any direct or indirect duty or personal interest (including but not limited to any Personal Financial Interest) which conflicts or may conflict with his duties as a Director shall disclose that fact to the Directors as soon as he becomes aware of it. A Director must absent himself from any discussions of the Directors in which it is possible that a conflict will arise between his duty to act solely in the interests of the Company and any duty or personal interest (including but not limited to any Personal Financial Interest).
98. For the purpose of Article 97, a Director has a Personal Financial Interest in the employment or remuneration of, or the provision of any other benefit to, that Director as permitted by and as defined by Articles 6.5-6.9.

## THE MINUTES

99. The minutes of the proceedings of a meeting of the Directors shall be drawn up and entered into a book kept for the purpose by the person acting as Secretary for the purposes of the meeting; and shall be signed (subject to the approval of the Directors) at the same or next subsequent meeting by the person acting as chairman thereof. The minutes shall include a record of:

- (a) all appointments of officers made by the Directors; and
- (b) all proceedings at meetings of the Company and of the Directors and of committees of Directors including the names of the Directors present at each such meeting.

## COMMITTEES

100. Subject to these Articles, the Directors:

- a) may appoint separate committees to be known as Local Governing

Bodies for each Academy; and

- b) may establish any other committee.

101. Subject to these Articles, the constitution, membership and proceedings of any committee shall be determined by the Directors. The establishment, terms of reference, constitution and membership of any committee of the Directors shall be reviewed at least once in every twelve months. The membership of any committee of the Directors may include persons who are not Directors, provided that (with the exception of the Local Governing Bodies) a majority of members of any such committee shall be Directors. Except in the case of a Local Governing Body, no vote on any matter shall be taken at a meeting of a committee of the Directors unless the majority of members of the committee present are Directors.

102. not used

103. not used

104. The functions and proceedings of the Local Governing Bodies shall be subject to regulations made by the Directors from time to time.

#### DELEGATION

105. The Directors may delegate to any Director, committee (including any Local Governing Body), the Chief Executive Officer (if appointed) or any other holder of an executive office, such of their powers or functions as they consider desirable to be exercised by them. Any such delegation shall be made subject to any conditions the Directors may impose, and may be revoked or altered.

106. Where any power or function of the Directors has been exercised by any committee (including any Local Governing Body), any Director, the Chief Executive Officer (if appointed) or any other holder of an executive office, that person or committee shall report to the Directors in respect of any action taken or decision made with respect to the exercise of that power or function at the meeting of the Directors immediately following the taking of the action or the making of the decision.

#### CHIEF EXECUTIVE OFFICER AND PRINCIPALS

107. The Directors shall appoint the Chief Executive Officer (if any) and the Principals of the Academies. The Directors may delegate such powers and functions as they consider are required by the Chief Executive Officer (if any) and the Principals for the internal organisation, management and control of the Academies (including the implementation of all policies approved by the Directors and for the direction of the teaching and curriculum at the Academies).

#### MEETINGS OF THE DIRECTORS

108. Subject to these Articles, the Directors may regulate their proceedings as they think fit.

109. The Directors shall hold at least three meetings in every school year. Meetings of the Directors shall be convened by the Secretary. In exercising his functions under this Article the Secretary shall comply with any direction—

- a. given by the Directors; or
- b. given by the chairman of the Directors or, in his absence or where there is a vacancy in the office of chairman, the vice-chairman of the Directors, so far as such direction is not inconsistent with any direction given as mentioned in (a).

110. Any three Directors may, by notice in writing given to the Secretary, requisition a meeting of the Directors; and it shall be the duty of the Secretary to convene such a meeting as soon as is reasonably practicable.

111. Each Director shall be given at least fourteen clear days before the date of a meeting –

- i) notice in writing thereof, signed by the Secretary, and sent to each Director at the address provided by each Director from time to time; and
- ii) a copy of the agenda for the meeting;

provided that where the chairman or, in his absence or where there is a vacancy in the office of chairman, the vice-chairman, so determines on the ground that there are matters demanding urgent consideration, it shall be sufficient if the written notice of a meeting, and the copy of the agenda thereof are given within such shorter period as he directs.

112. The convening of a meeting and the proceedings conducted thereat shall not be invalidated by reason of any individual not having received written notice of the meeting or a copy of the agenda thereof.

113. A resolution to rescind or vary a resolution carried at a previous meeting of the Directors shall not be proposed at a meeting of the Directors unless the consideration of the rescission or variation of the previous resolution is a specific item of business on the agenda for that meeting.

114. A meeting of the Directors shall be terminated forthwith if—

- (a) the Directors so resolve; or
- (b) the number of Directors present ceases to constitute a quorum for a meeting of the Directors in accordance with Article 117 , subject to Article 119 .

115. Where in accordance with Article 114 a meeting is not held or is terminated before all the matters specified as items of business on the agenda for the meeting have been disposed of, a further meeting shall be convened by the Secretary as soon as is reasonably practicable, but in any event within seven days of the date on which the meeting was originally to be held or was so terminated.

116. Where the Directors resolve in accordance with Article 114 to adjourn a meeting before all the items of business on the agenda have been disposed of, the Directors shall before doing so determine the time and date at which a further meeting is to be held for the purposes of completing the consideration of those items, and they shall direct the Secretary to convene a meeting accordingly.

117. Subject to Article 119 the quorum for a meeting of the Directors, and any vote on any matter thereat, shall be any three Directors, or, where greater, any one third (rounded up to a whole number) of the total number of Directors holding office at the date of the meeting. If the Secretary of State has appointed Additional or Further Directors then a majority of the quorum must be made up of Additional or Further Directors.

118. The Directors may act notwithstanding any vacancies in their number, but, if the numbers of Directors is less than the number fixed as the quorum, the



continuing Directors may act only for the purpose of filling vacancies or of calling a general meeting.

119. The quorum for the purposes of—

- (a) appointing a parent Director under Articles 56;
- (b) any vote on the removal of a Director in accordance with Article 66;
- (c) any vote on the removal of the chairman of the Directors in accordance with Article 90;

shall be any two-thirds (rounded up to a whole number) of the persons who are at the time Directors entitled to vote on those respective matters.

120. Subject to these Articles, every question to be decided at a meeting of the Directors shall be determined by a majority of the votes of the Directors present and voting on the question. Every Director shall have one vote.

121. Subject to Articles 117-119, where there is an equal division of votes, the chairman of the meeting shall have a casting vote in addition to any other vote he may have.

122. The proceedings of the Directors shall not be invalidated by

- a. any vacancy among their number; or
- b. any defect in the election, appointment or nomination of any Director.

123. A resolution in writing, signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors, shall be valid and effective as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held. Such a resolution may consist of several documents in the same form, each signed by one or more of the Directors.

124. Subject to Article 125, the Directors shall ensure that a copy of

- a. the agenda for every meeting of the Directors;
- b. the draft minutes of every such meeting, if they have been approved by the person acting as chairman of that meeting;

- c. the signed minutes of every such meeting; and
- d. any report, document or other paper considered at any such meeting, are, as soon as is reasonably practicable, made available at every Academy to persons wishing to inspect them.

125. There may be excluded from any item required to be made available in pursuance of Article 124, any material relating to—

- a. a named teacher or other person employed, or proposed to be employed, at any Academy;
- b. a named pupil at, or candidate for admission to, any Academy; and
- c. any matter which, by reason of its nature, the Directors are satisfied should remain confidential.

126. Any Director shall be able to participate in meetings of the Directors by telephone or video conference provided that:

- a. he has given notice of his intention to do so detailing the telephone number on which he can be reached and/or appropriate details of the video conference suite from which he shall be taking part at the time of the meeting at least 48 hours before the meeting; and,
- b. the Directors have access to the appropriate equipment if after all reasonable efforts it does not prove possible for the person to participate by telephone or video conference the meeting may still proceed with its business provided it is otherwise quorate.

#### PATRONS AND HONORARY OFFICERS

127. The Directors may from time to time appoint any person whether or not a Member of the Company to be a patron of the Company or to hold any honorary office and may determine for what period he is to hold such office.

#### THE SEAL

128. The seal, if any, shall only be used by the authority of the Directors or of a

committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director.

## ACCOUNTS

129. Accounts shall be prepared in accordance with the relevant Statement of Recommended Practice as if the Company was a non-exempt charity and Parts 15 and 16 of the Companies Act 2006 and shall file these with the Secretary of State and the Principal Regulator by 31 December each Academy Financial Year.

## ANNUAL REPORT

130. The Directors shall prepare its Annual Report in accordance with the Statement of Recommended Practice as if the Company was a non-exempt charity and shall file these with the Secretary of State and the Principal Regulator by 31 December each Academy Financial Year.

## ANNUAL RETURN

131. The Directors shall comply with their obligations under Part 24 of the Charities Act 2006 (or any statutory re-enactment or modification of that Act) with regard to the preparation of an annual return to the Registrar of Companies and in accordance with the Statement of Recommended Practice as if the Company was a non-exempt charity and to the Secretary of State and the Principal Regulator by 31 December each Academy Financial Year.

## NOTICES

132. Any notice to be given to or by any person pursuant to the Articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In these Articles, "Address" in relation to electronic communications, includes a number or address used for the purposes of such communications.

133. A notice may be given by the Company to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the Company by the Member. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.

134. A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.

135. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.

## INDEMNITY

136. Subject to the provisions of the Companies Act 2006 every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

## RULES

137. The Directors may from time to time make such rules or bye laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company and for purposes of prescribing classes of and conditions of membership, and in particular but without prejudice to the generality of the foregoing, they may by such rules or bye laws regulate:

- a. the admission and classification of Members of the Company (including the admission of organisations to membership) and the rights and privileges of such Members, and the conditions of membership and the terms on which Members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by Members;
- b. the conduct of Members of the Company in relation to one another, and to the Company's servants;
- c. the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
- d. the procedure at general meetings and meetings of the Directors and committees of the Directors and meetings of the Local Governing Bodies in so far as such procedure is not regulated by the Articles; and,
- e. generally, all such matters as are commonly the subject matter of company rules.

138. The Company in general meeting shall have power to alter, add or to repeal the rules or bye laws and the Directors shall adopt such means as they think sufficient to bring to the notice of Members of the Company all such rules or bye laws, which shall be binding on all Members of the Company. Provided that no rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in the Articles.

#### AVOIDING INFLUENCED COMPANY STATUS

139. Notwithstanding the number of Members from time to time, the maximum aggregate number of votes exercisable by Local Authority Associated Persons shall

never exceed 19.9% of the total number of votes exercisable by Members in general meeting and the votes of the other Members having a right to vote at the meeting will be increased on a pro-rata basis.

140. No person who is a Local Authority Associated Person may be appointed as a Director if, once the appointment had taken effect, the number of Directors who are Local Authority Associated Persons would represent 20% or more of the total number of Directors. Upon any resolution put to the Directors, the maximum aggregate number of votes exercisable by any Directors who are Local Authority Associated Persons shall represent a maximum of 19.9% of the total number of votes cast by the Directors on such a resolution and the votes of the other Directors having a right to vote at the meeting will be increased on a pro-rata basis.

141. No person who is a Local Authority Associated Person is eligible to be appointed to the office of Director unless his appointment to such office is authorised by the local authority to which he is associated.

142. If at the time of either his becoming a Member of the Company or his first appointment to office as a Director any Member or Director was not a Local Authority Associated Person but later becomes so during his membership or tenure as a Director he shall be deemed to have immediately resigned his membership and/or resigned from his office as a Director as the case may be.

143. If at any time the number of Directors or Members who are also Local Authority Associated Persons would (but for Articles 139 to 142 inclusive) represent 20% or more of the total number of Directors or Members (as the case may be) then a sufficient number of the Directors or Members (as the case may be) who are Local Authority Associated Persons shall be deemed to have resigned as Directors or Members (as the case may be) immediately before the occurrence of such an event to ensure that at all times the number of such Directors or Members (as the case may be) is never equal to or greater than 20% of the total number of Directors or Members (as the case may be). Directors or Members (as the case may be) who are Local Authority Associated Persons shall be deemed to have resigned in order of their appointment date the most recently appointed resigning first.

144. The Members will each notify the Company and each other if at any time they believe that the Company or any of its subsidiaries has become subject to the influence of a local authority (as described in section 69 of the Local Government and Housing Act).

## **ANNEX B**

### **Arrangements for pupils with Special Educational Needs ('SEN') and disabilities at mainstream Free Schools or alternative provision Free Schools**

#### **Duties in relation to pupils with SEN**

1. The Governing Body of the Company must comply with all of the duties imposed upon the governing bodies of maintained schools in:
  - Part 4 of the Education Act 1996 as amended from time to time<sup>9</sup>;
  - The Education (Special Educational Needs) (Information) Regulations 1999 as amended from time to time;
  - The Education (Special Educational Needs Co-ordinators) (England) (Amendment) Regulations 2008 as amended from time to time<sup>10</sup>.
2. Notwithstanding any provision in this Agreement, the Secretary of State may (whether following a complaint made to him or otherwise) direct the Company to comply with an obligation described in this Annex where the Company has failed to comply with any such obligation.
3. Where a child who has SEN is being educated in the Academy, those concerned with making special educational provision for the child must secure that the child engages in the activities of the school together with children who do not have SEN, so far as is reasonably practicable and is compatible with:
  - (a) the child receiving the special educational provision which his learning difficulty calls for, the provision of efficient education for the children with whom he will be educated, and
  - (b) the efficient use of resources.

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<sup>9</sup> Currently these duties are in sections 313 (Duty to have regard to the Special Educational Needs Code of Practice 2001); 317 (Duties in relation to pupils with special educational needs), 317A (Duty to advise parents that special educational provision is being made); and 324(5)(b) (Duty to admit the child where a school is named in the statement).

<sup>10</sup> These Regulations are amended by The Education (Special Educational Needs Co-ordinators) (England) (Amendment) Regulations 2009 (SI 2009 No 1387).



4. In addition to complying with the duties imposed upon the governing bodies of maintained schools set out in The Education (Special Educational Needs) (Information) Regulations 1999 (as amended from time to time), the Company must ensure that the Academy's website includes details of the arrangements for the admission of disabled pupils; the steps taken to prevent disabled pupils from being treated less favourably than other pupils; and the facilities provided to assist access to the Academy by disabled pupils (disabled pupils meaning pupils who are disabled for the purposes of the Equality Act 2010<sup>11</sup>).

### **Admissions**

5. The Company must ensure that pupils with SEN are admitted on an equal basis with others in accordance with its admissions policy.
6. Where a local authority ("LA") proposes to name the Company in a statement of SEN made in accordance with section 324 of the Education Act 1996, it must give the Company written notice that it so proposes. Within 15 days of receipt of the LA's notice that it proposes to name the Academy in a statement, the Company must consent to being named, except where admitting the child would be incompatible with the provision of efficient education for other children; and where no reasonable steps may be made to secure compatibility. In deciding whether a child's inclusion would be incompatible with the efficient education of other children, the Company must have regard to the relevant guidance issued by the Secretary of State to maintained schools.
7. If the Company determines that admitting the child would be incompatible with the provision of efficient education, it must, within 15 days of receipt of the LA's notice, notify the LA in writing that it does not agree that the Academy should be named in the pupil's statement. Such notice must set out all the facts and matters the Company relies upon in support of its contention that: (a) admitting the child would be incompatible with efficiently educating other children; and (b) the Company cannot take reasonable steps to secure this compatibility.

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<sup>11</sup> For the meaning of 'disabled', see section 6 of the Equality Act 2010.

8. After service by the Company on the LA of any notice (further to paragraph 7 above) stating that it does not agree with the LA's proposal that the Academy be named, the Company must seek to establish from the LA, as soon as is reasonably practicable, whether or not the LA agrees with the Company. If the LA notifies the Academy that it does not agree with the Company's response, and names the Academy in the child's statement, the Company must admit the child to the school on the date specified in the statement or on the date specified by the LA.
9. Where the Company considers that the Academy should not have been named in a child's statement, they may ask the Secretary of State to determine that the LA has acted unreasonably in naming the Academy and to make an order directing the LA to reconsider.
10. The Secretary of State's determination shall, subject only to any right of appeal which any parent or guardian of the child may have to the First-tier Tribunal (Special Educational Needs and Disability), be final.
11. If a parent or guardian of a child in respect of whom a statement is maintained by the local authority appeals to the First-tier Tribunal (Special Educational Needs and Disability) either against the naming of the Academy in the child's SEN statement or asking the Tribunal to name the Academy, then the decision of the Tribunal on any such appeal shall be binding and shall, if different from that of the Secretary of State under paragraph 9 above, be substituted for the Secretary of State's decision.
12. Where the Academy, the Secretary of State or the First-tier Tribunal (Special Educational Needs and Disability) have determined that it should be named in a child's statement, the Company shall admit the child to the Academy.

**TAUHEEDUL EDUCATION TRUST**  
**ACADEMIES AND FREE SCHOOLS**

**MASTER FUNDING AGREEMENT**

**JULY 2014**

**TAUHEEDUL EDUCATION TRUST**  
**ACADEMIES AND FREE SCHOOLS**  
**MASTER FUNDING AGREEMENT**

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## INTRODUCTION

- 1) This Agreement is made under Section 1 of the Academies Act 2010, between the Secretary of State for Education ("the Secretary of State") and Tauheedul Education Trust (the "Company").
- 2) The Company is a company incorporated in England and Wales, limited by guarantee with registered Company number 07353849.
- 3) The Company intends to establish and maintain, and to carry on or provide for the carrying on of a number of Academies in accordance with this Agreement and the Supplemental Agreements.
- 4) This Agreement and the Supplemental Agreements will apply in respect of an Academy from such time as a Supplemental Agreement relating to that Academy shall have been entered into between the Secretary of State and the Company.
- 5) The following expressions used in this Agreement have the respective meanings assigned to them by the numbered clauses of this Agreement referred to immediately after the reference to the expressions -
  - a) "Academies Financial Handbook" - clause 67;
  - b) "Accounting Officer" – clause 66;
  - c) "Annual Letter of Funding" - clause 60;
  - d) "GAG" – clause 36;
  - e) "Capital Expenditure" - clause 37;
  - f) "Capital Grant" – clause 37;
  - g) "EAG" - clause 36;
  - h) "Local Governing Body" – clause 15;

i) "Recurrent Expenditure" – clause 36;

j) "Statemented Pupils" – clause 18A and paragraphs 2 and 3(i), (ii) and (iii) of Annex 1 to the Supplemental Agreement<sup>1</sup>.

6) In this Agreement the following words and expressions shall have the following meanings:-

"Academy Financial Year" means the year from 1<sup>st</sup> September to 31<sup>st</sup> August or such other period as the Secretary of State may from time to time specify by notice in writing to the Company;

"Academy" means a Mainstream Free School, a Traditional Mainstream Academy (including Traditional Sponsored Academies where the context so permits), an Alternative Provision Free School, a Traditional Alternative Provision Academy, a Special Free School, a Traditional Special Academy or a 16-19 Free School, in respect of which a Supplemental Agreement has been entered into between the Secretary of State and the Company and the expression "Academies" shall refer to all or any of such Free Schools and Academies;

"the Act" means the Academies Act 2010;

"admission requirements" – are annexed to the relevant Supplemental Agreement;

"Alternative Provision Free School" means a new Academy which meets the requirements set out in section 1C of the Academies Act 2010, which is a new educational institution within the meaning of section 9(1)(a) of the Act and which is not an existing educational institution within the meaning of section 9(1)(b) of that Act ;

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<sup>1</sup> Use only where clause 18A is included.



"Alternative Provision Academies" means both Alternative Provision Free Schools and Traditional Alternative Provision Academies.

the "Articles" means the Articles of Association of the Company for the time being in force;

"this Agreement" means this agreement and its annexes and a reference in this Agreement to a numbered clause or annex is a reference to the clause or annex of this Agreement bearing that number or letter as the same may be amended or supplemented from time to time;

"Business Day" means any day other than a Saturday, Sunday, Christmas Day, Good Friday or a day which is a bank holiday with the meaning given to that expression in the Banking and Financial Dealings Act 1971;

"Commissioner" means local authorities and/or schools referring children/pupils to the Traditional Alternative Provision Academy or the Alternative Provision Free School for admission under the legal powers set out in the relevant annex to the Supplemental Agreement;

"Control" in relation to a body corporate ('Entity') means either the legal or beneficial ownership of 30 per cent or more of the issued shares in the Entity ordinarily having voting rights or the power of a person ('A') otherwise to secure –

- (a) either by means of the holding of shares in that Entity or having an interest conferring voting rights at general meetings of the membership of the Entity or of any other body corporate;
- (b) by virtue or any powers conferred by the Articles or other document regulating that Entity or any other Entity or partnership including, without limitation, the power to appoint or remove a majority of the directors thereof, or
- (c) by virtue of any agreement, understanding or arrangement between any person or persons,

that the affairs of the first-mentioned Entity are conducted in accordance with the wishes of A and 'Controls' shall be construed accordingly;

"DfE" means Department for Education and any successor;

"EFA" means the Education Funding Agency, an executive agency of the DfE or any successor body to the EFA so designated by the Secretary of State;

"Free Schools" means Mainstream Free Schools, Special Free Schools, Alternative Provision Free Schools and 16-19 Free Schools";

"LA" means the Local Authority in the area in which the relevant Academy is situated;

"Mainstream Free School" means an Academy meeting the requirements referred to in clause 12, which is a new educational institution within the meaning of section 9(1)(a) of the Act and which is not an existing educational institution within the meaning of section 9(1)(b) of the Academies Act 2010, but which is not a Special Free School;

"Mainstream Academies" means both Mainstream Free Schools and Traditional Mainstream Academies;

"Memorandum" means the memorandum of association of the Company for the time being in force;

"parents" means parents or guardians;

"persons" includes a body of persons, corporate or incorporate;

"Principal" means the head teacher of an Academy;

"Principal Regulator" means the body or person appointed as the Principal Regulator under the Charities Act 2011;

"Pupil Referral Unit" means any school established in England and maintained by a local authority which is specially organised to provide education for children falling within section 19(1) of the Education Act 1996;

references to "school" shall where the context so admits be references to an Academy;

references to "educational institution" shall where the context so admits be references to a 16 to 19 Free School;

references to "Secretary of State" shall where the context so admits be references to the EFA acting on the Secretary of State's behalf;

"SEN" means special educational needs, and the expressions "special educational needs" and "special educational provision" have the meaning set out in section 312 of the Education Act 1996;

"SENCO" means Special Educational Needs Co-ordinator;

"Special Free School" means an Academy meeting the criteria set out in section 1A(2) of the Act, which is a new educational institution within the meaning of section 9(1)(a) of the Act and which is not an existing educational institution within the meaning of section 9(1)(b) of the Academies Act 2010;

"Special Academies" means both Special Free Schools and Traditional Special Academies;

"Statement of SEN" means a statement made under section 324 of the Education Act 1996;

"Studio School" means a type of Mainstream Free School, principally for pupils and students aged between 14 and 19, which places an emphasis on such pupils and students obtaining employability skills through project-based learning;

“Supplemental Agreement” means an agreement supplemental to this Agreement, substantially in the form of the relevant model supplemental funding agreement as published by the DfE at the time of entering into the such agreement, to be entered into by the Secretary of State and the Company pursuant to which the Company agrees to establish and maintain, and to carry on or provide for the carrying on, and the Secretary of State agrees to fund, an Academy in accordance with the terms and conditions of that Supplemental Agreement and this Agreement;

“Traditional Alternative Provision Academy” means an Academy which meets the requirements set out in section 1C of the Academies Act 2010 and which has been established pursuant to an Academy Order under section 4 of that Act;

“Traditional Mainstream Academy” means an Academy meeting the requirements referred to in clause 12 which has been established pursuant to an Agreement under section 482 of the Education Act 1996 or pursuant to an Academy Order under section 4 of the Academies Act 2010, but which is not a Traditional Special Academy;

“Traditional Special Academy” means an Academy meeting the criteria set out in section 1A(2) of the Act, which has been established pursuant to an Agreement under section 482 of the Education Act 1996 or pursuant to an Academy Order under section 4 of the Academies Act 2010; and

“Traditional Sponsored Academy” means a Traditional Mainstream Academy, unless expressly excluded from any such categorisation, and designated as a sponsored academy in the Supplemental Agreement applicable to that Academy.

“16-19 Free School” means a new Academy which meets the requirements set out in section 1B of the Academies Act 2010.

7) The Interpretation Act 1978 shall apply for the interpretation of this Agreement and any Supplemental Agreement as it applies for the interpretation of

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an Act of Parliament.

8) Expressions defined in this Agreement shall have the same meaning where used in any Annex to this Agreement or Supplemental Agreement.

9) Questions arising on the interpretation of the arrangements in this Agreement shall be resolved by the Secretary of State after consultation with the Company.

10) Section 1 (3) of the Academies Act 2010 states that -

(3) An Academy agreement is an agreement between the Secretary of State and the other party under which -

(a) the other party gives the undertakings in subsection (5), and

(b) the Secretary of State agrees to make payments to the other party in consideration of those undertakings.

## **LEGAL AGREEMENT**

11) In consideration of the Company undertaking to establish and maintain, and to carry on or provide for the carrying on of a number of independent schools in England specially organised to make special educational provision for pupils with SEN ("the Special Academies"), or meeting the requirements referred to in clause 12 ("the Mainstream Academies"), or meeting such requirements as referred to in clause 12D ("the Alternative Provision Academies") or meeting such requirements as referred to in clause 12E ("the 16-19 Free Schools"), the Secretary of State agrees to make payments to the Company in accordance with the conditions and requirements set out in this Agreement and Supplemental Agreements. If it is agreed between the Secretary of State and the Company that the Company will establish and maintain, and to carry on or provide for the carrying on of an Academy, the parties will enter into a Supplemental Agreement in relation to that Academy. For the avoidance of doubt, any obligations imposed upon or powers given to an Academy by this Agreement or any Supplemental Agreement are also

imposed upon the Company.

## **REQUIREMENTS OF MAINSTREAM ACADEMIES**

12) The requirements of Mainstream Academies are those set down in Section 1A of the Academies Act 2010.

## **REQUIREMENTS OF SPECIAL ACADEMIES**

12A) The Company must ensure special educational provision is made at each of the Special Academies for one or more categories of SEN. These categories may include, but are not limited to: Specific Learning Difficulties, Moderate Learning Difficulties, Severe Learning Difficulties, Profound and Multiple Learning Difficulties, Behaviour Emotional Social and Development Needs, Speech Language and Communication Needs, Autistic Spectrum Disorder, Visual Impairment, Hearing Impairment, Multi-Sensory Impairment, Physical Disability.

12B) The Company may not refuse to admit a child whose statement of SEN names one of the Special Academies on the sole basis that some, or all, of the child's SEN do not feature in the categories referred to in clause 12A) of this agreement.

## **THE SEN OBLIGATIONS**

12C) In respect of **Special Academies**:

- a) The Company must comply with all of the obligations imposed upon the governing bodies of maintained special schools in Chapter 1 of Part 4 of the Education Act 1996 and in Regulations in force at the date of this agreement or made from time to time under any provision in that Chapter (as amended from time to time<sup>2</sup>).

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<sup>2</sup> Currently these duties are in section 313 (Duty to have regard to the Special Educational Needs Code of Practice 2001); section 317(5), (6) and (6A) (Duties in relation to the publication of information relating to arrangements and facilities for August 2013 hybrid MFA v2

- b) Notwithstanding any provision in this Agreement, the Secretary of State may (whether following a complaint made to him or otherwise) direct the Company to comply with an obligation imposed by this Agreement where the Company has failed to comply with any such obligation.
- c) The Company must ensure that each **Special Academy's** website includes details of the arrangements for the admission of disabled pupils; the steps taken to prevent disabled pupils from being treated less favourably than other pupils; the facilities provided to assist access to the Academy by disabled pupils; and the plan prepared by the Company under paragraph 3 of Schedule 10 to the Equality Act 2010. Disabled pupils in this paragraph mean pupils who are disabled for the purposes of the Equality Act 2010<sup>3</sup>.

## **REQUIREMENTS OF ALTERNATIVE PROVISION ACADEMIES**

12D) The requirements for Alternative Provision Academies are those set down in Section 1C of the Academies Act 2010.

## **REQUIREMENTS OF 16-19 FREE SCHOOLS**

12E) The requirements of 16-19 Free Schools are those set down in Section 1B of the Academies Act 2010.

## **CONDITIONS OF GRANT**

### **General**

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disabled pupils at the school); and 324(5)(b) (Duty to admit the child where a school is named in the statement); and the Education (Special Educational Needs)(Information)(England) Regulations 1999 (S.I. 1999/2506). For the avoidance of doubt, the obligations in clause 12A of this agreement are in addition to any obligations imposed upon Academy proprietors directly in legislation or regulations.

<sup>3</sup> This obligation is in addition to the obligation to comply with the duties to publish information imposed upon the governing bodies of maintained special schools set out in the Education (Special Educational Needs) (Information) Regulations 1999 (as amended from time to time) which clause 12A has the effect of imposing.

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13) Other conditions and requirements in respect of an Academy, unless specified otherwise in a Supplemental Agreement, are that:

a) the Academy will be at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community;

b) The Academy Trust must ensure that so far as is reasonably practicable and consistent with clauses 26 and 27 of this Agreement and the Equality Act 2010, the policies and practices adopted by the Academy (in particular regarding curriculum, uniform and school food) enable pupils of all faiths and none to play a full part in the life of the Academy, and do not disadvantage pupils or parents of any faith or none. For the avoidance of doubt, this requirement applies irrespective of the proportion of pupils of any faiths or none currently attending or predicted to join the school.

c) at each of the **Mainstream Academies** and at each of the **Special Academies** there will be assessments of pupils' performance as they apply to maintained schools (and this will also apply to **Alternative Provision Academies** unless there are exceptional reasons to do otherwise), and the opportunity to study for qualifications in accordance with clause 30 (d);

d) in respect of **Mainstream Academies**, the admissions policy and arrangements for the school will be in accordance with admissions law, and the DfE Codes of Practice, as they apply to maintained schools; in respect of **Alternative Provision Academies** the admissions policy and arrangements for the school will be set out in the relevant annex to the Supplemental Agreement; and in respect of 16-19 Free Schools the admissions policy and arrangements for the educational institution will be fair, objective and transparent, in accordance with legal powers and duties in relation to 16 to 19 provision and with the requirements in clause 18F;

e) teachers' levels of pay and conditions of service at the Academies will be the responsibility of the Company;



f) there will be an emphasis on the needs of the individual pupils and students and where relevant personal coaches will contribute to the needs of the individual pupils and students including pupils with SEN, both those with and without statements of SEN, and students with learning difficulties and disabilities;

g) there will be no charge to pupils (or their parents or guardians) or students (or their parents or guardians) in respect of admission to, or attendance at, any of the Academies and the Academies are only permitted to charge where the law allows either maintained schools to charge or institutions within the further education sector to charge;

h) in respect of each Traditional Mainstream Academy, Traditional Special Academy and Traditional Alternative Provision Academy the Company shall as soon as reasonably practicable establish an appropriate mechanism for the receipt and management of donations and shall use reasonable endeavours to procure donations through that mechanism for the purpose of the objects specified in the Articles.

13A) Clause 13g) does not prevent the Company receiving funds from a local authority or a charity in respect of the admission of a pupil with special educational needs to an Academy.

13B) Clause 13g) does not prevent the Company receiving funds/income from Commissioners in respect of the admission and attendance of a pupil at any of the **Alternative Provision Academies**.

## **Governance**

14) Each Academy will be governed by the Company. The Company shall have regard to (but for the avoidance of doubt shall not be bound by) any guidance as to the governance of Academies that the Secretary of State may publish.

15) The Company shall establish, for each Academy falling under Article 4(i) of the Articles (schools with a designated Islamic character), an Advisory Body, whose

role shall be to provide advice to the Company in relation to the functioning of that Academy. The role of the Advisory Body and the membership of it shall be for the Company to decide, but the Company will, as a minimum, ensure that:

- a) a minimum of two parents of a pupil or a student at the Academy (to be elected by the parents of registered pupils or students of the Academy) shall be a member of the Advisory Body;
- b) up to two employees at the Academy (to be elected by employees of the Academy) shall be a member of the Advisory Body<sup>4</sup>;
- c) any advice of the Advisory Body is brought to the attention of the Directors of the Company;
- d) to the extent that the Company may, in accordance with the Articles, choose to establish a Local Governing Body, then the Company may additionally constitute the Advisory Body as the Academy's Local Governing Body.

15A) The Company shall establish for the Academy falling within Article 4(ii) of the Articles (schools without a designated Islamic character) a Local Governing Body to which it may delegate its powers and functions in relation to the operation of the Academy. The role of the Local Governing Body and the membership of it shall be for the Company to decide, but the Company will, as a minimum, ensure that:

- a) the members of the Local Governing Body shall recognise and support the individual ethos of the Academy as a school not designated as having a designated Islamic or as the case may be, religious character and shall maintain the Academy's relationship with the local community within which it is situated and which it serves;
- b) a minimum of two parents of a pupil at the Academy (to be elected by the parents of registered pupils of the Academy) shall be a member of the Local Governing Body;

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<sup>4</sup> Delete if not required.  
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## **Conduct**

16) Each Academy shall be conducted in accordance with:

- a) the Articles;
- b) all provisions by or under statute which confer rights or impose obligations on Academies including, without limitation, the independent schools standards prescribed under section 157 of the Education Act 2002 to the extent they apply to the Academy;
- c) the terms of this Agreement and the relevant Supplemental Agreement.

## **Disclosure and Barring Service Checks**

17) In respect of each of the **Mainstream Academies**, **Alternative Provision Academies** and **Special Academies**, the Company shall comply with the requirements of the Education (Independent School Standards) (England) Regulations 2010 (or such regulations as may for some time being be applicable) in relation to carrying out enhanced criminal records checks, obtaining enhanced criminal records certificates and making any further checks, as required and appropriate for members of staff, supply staff, individual Directors and the Chair of the Local Governing Body.

17A) In respect of each **16-19 Free School**, the Company agrees to comply with any obligations that apply to it by virtue of provisions in the Safeguarding and Vulnerable Groups Act 2006 as may be amended from time to time in respect of, but not limited to, the performance of barred list checks.

17B) Further, in respect of each **16-19 Free School**, the Company agrees to act in accordance with the Further Education (Providers of Education) (England) Regulations 2006 (SI 2006/3199) as may be amended or replaced from time to time as if the **16 to 19 Free School** were a further education institution and subject to the following modifications:

- a) references to “the governing body of a further education institution” or to “the governing body” shall be treated as references to the Company;
- b) references to “a further education institution” or “the institution” shall be treated as references to the **16 to 19 Free School**, except in regulations 9(1)(b) and 19(2)(a)(ii) where they shall have their normal meaning;
- c) the Company shall not have to comply with any of the requirements in relation to relevant staff qualifications specified in regulation 3(2), namely: regulations 5(3); regulation 17(1) only in so far as it relates to regulation 18(3); regulation 22 only in so far as it relates to paragraph 4 of Part 1 of the Schedule; and regulation 23 only in so far as it relates to paragraph 2(3) of Part 2 of the Schedule. For the avoidance of doubt, the relevant staff qualification requirements do not need to be met by members of staff at the **16 to 19 Free School**; and
- d) references to “new member of staff” shall include individual Directors and the Chair of the Directors and in respect of them:
  - (i) the obligation to carry out an enhanced criminal record check as provided for at regulation 5(5) will apply whether or not their position will involve a relevant activity;
  - (ii) the reference in regulation 6 to “considering his suitability for a position that will involve a relevant activity” will be treated as a reference to considering his suitability for a position as a Director or Chair of the Directors as appropriate;
  - (iii) references to “beginning work at the further education institution” shall be treated as references to beginning work as a Director or Chair of the Directors as appropriate.

## **Secondary education provided to persons of compulsory school age**

17C) The Company shall, on receipt of a copy of an enhanced criminal record certificate, on request from the Secretary of State or his agents, as soon as possible thereafter submit information contained in the certificate to the Secretary of State in accordance with section 124 of the Police Act 1997.

17D) Where secondary education is provided to persons of compulsory school age by an Academy the Company shall secure that, except in such circumstances described in clause 17E, no education is provided to a person who has attained the age of nineteen years in a room in which any persons of compulsory school age are for the time being receiving secondary education.

17E) (a) The circumstances referred to in clause 17D shall be that a teacher is present in the room.

(b) For the purposes of paragraph (a) a teacher shall be considered to be present in the room at a particular time even though no teacher is present if—

(i) it would be impracticable to secure the presence of a teacher in a room at that time, and

(ii) the absence of a teacher at that time has not lasted more than five minutes.

## **Pupils and Students**

18) Each of the **Mainstream Academies** will be an all ability inclusive school whose requirements for:

- a) the admission of pupils to the Academy are set out in the relevant annex to the Supplemental Agreement;
- b) the admission to the Academy of and support for pupils with SEN and with disabilities (for pupils who have and who do not have statements of SEN) are set out in Annex B to this Agreement, save that Annex B shall only apply so

far as the relevant provisions of the Children and Families Act 2014 relating to SEN and Disability do not apply to Academies and Free Schools;

- c) pupil exclusions are set out in regulations made by virtue of section 51A of the Education Act 2002 (as may be amended or modified from time to time, and includes any successor provisions).

18A) GAG at each of the **Special Academies** for each Academy Funding Year in respect of Statemented Pupils will be determined by the Secretary of State in accordance with clauses 53-54 and 54A to 54E in respect of Special Free Schools, and in accordance with clauses 53, 53A, 54, 54F and 54G in respect of Traditional Special Academies.

18B) Each of the **Special Academies** will be a special school whose requirements for:

- a) the admission of pupils to the Academy are set out in the relevant annex to the Supplemental Agreement;
- b) pupil exclusions are set out in regulations made by virtue of section 51A of the Education Act 2002 (as may be amended or modified from time to time, and includes any successor provisions).

18C) Where in respect of any of the **Special Academies** the Company considers that there is a need to increase the planned number of places (as referred to in clause 18A of this Agreement and as set out in the Supplemental Agreement for the relevant **Special Academy** (if applicable), the Company must seek the approval of the Secretary of State and the requirements of this Agreement and the Supplemental Agreement for the relevant **Special Academy** may be amended accordingly by agreement between the Secretary of State and the Company.

18D) The planned number of places and the age ranges at each of the **Alternative Provision Academies** (as set out in the Supplemental Agreement for each of the **Alternative Provision Academies**) is /are not determinative of GAG. GAG at each of the **Alternative Provision Academies** for each Academy Funding Year will be

determined by the Secretary of State in accordance with clauses 54K to 54M. Each of the **Alternative Provision Academies** will provide education for the cohort of pupils whose characteristics are set out in the requirements at section 1C of the Academies Act 2010 and whose requirements for:

- a) the admission of pupils to each of the **Alternative Provision Academies** are set out in the relevant annex to the Supplemental Agreement;
- b) the admission to each of the **Alternative Provision Academies** and support for pupils with SEN and with disabilities (for pupils who have and who do not have statements of SEN) are set out in Annex B to this Agreement;
- c) pupil exclusions are set out in regulations made by virtue of section 51A of the Education Act 2002 (as may be amended or modified from time to time, and includes any successor provision(s)).

18E) Each **16 to 19 Free School** will be an educational institution principally concerned with providing full-time or part-time education suitable to the requirements of persons over compulsory school age but under 19 whose requirements for:

- a) the admission of students to the **16 to 19 Free School**;
- b) the admission to the **16 to 19 Free School** of and support for students with learning difficulties and with disabilities; and
- c) student exclusions;

are set out in written policies to be agreed with the Secretary of State prior to the signing of the relevant Supplementary Funding Agreement, such policies will be fair, objective and transparent, in accordance with legal powers and

duties in relation to 16 to 19 provision and for the avoidance of doubt adherence to those policies forms part of this Agreement.

18F) The Secretary of State agrees that the Company may vary such policies as are referred to in clause 18E subject to the Company informing the Secretary of State of any variation to such policies in writing as soon as reasonably practicable and the Company agreeing that the Secretary of State may, if he wishes, substitute any changes to such policies that the Company makes with changes to such policies of his own.

18G) The Company agrees to vary such policies referred to in clause 18E as may become necessary to comply with changes to future legislation and/or as the Secretary of State may require.

#### **Designated Teacher for Looked after Children**

18H) The Company will where applicable in respect of each of its Academies act in accordance with, and be bound by, all relevant statutory and regulatory provisions and have regard to any guidance and codes of practice issued pursuant to such provisions, as they apply at any time to a maintained school, relating to the designation of a person to manage the teaching and learning programme for children who are looked after by an LA and are registered pupils at the school. For the purpose of this clause, any reference to the governing body of a maintained school in such statutory and regulatory provisions, or in any guidance and code of practice issued pursuant to such provisions, shall be deemed to be references to the Directors of the Company.

#### **Teachers and other staff**

19) In respect of **Mainstream** and **Alternative Provision Academies**:

- a) subject to clause 19(b), the Company shall, in accordance with any guidance which the Secretary of State may issue on the qualifications of teaching and other staff in Academies, employ anyone it deems is suitably qualified or is otherwise eligible under a contract of employment or for services to carry out



planning and preparing lessons and courses for pupils, delivering lessons to pupils, assessing the development, progress and attainment of pupils, and reporting on the development, progress and attainment of pupils.

b) clause 19(a) does not apply to anyone who:

- i) is appointed as the SENCO by the Company under section 317(3A) of the Education Act 1996, who must meet the requirements set out in Regulation 3 of the Education (Special Educational Needs Co-ordinators) (England) Regulations 2008 (SI 2008/2945); or
- ii) is appointed as a designated teacher for looked after children further to clause 18H.

20) In respect of **Special Academies** the Company shall not employ anyone under a contract of employment or for services to carry out planning and preparing lessons and courses for pupils, delivering lessons to pupils, assessing the development, progress and attainment of pupils, and reporting on the development, progress and attainment of pupils ("specified work") who is not either:-

- a) a qualified teacher within the meaning of regulations made under section 132 of the Education Act 2002; or
- b) otherwise eligible to do specified work under the Education (Specified Work) (England) Regulations 2012 (SI 2012/762), which for the purpose of this clause shall be construed as if the relevant Academy were a maintained school.

20A) In respect of **Special Academies** Clause 20 does not apply to anyone who:

- a) was transferred to the employment of the Company by virtue of the Transfer of Undertakings (Protection of Employment) Regulations 2006; and
- b) immediately prior to the transfer, was employed to do specified work; and

c) immediately prior to the transfer, was not;

(i) a qualified teacher within the meaning of regulations made under section 132 of the Education Act 2002 and registered with full registration with the appropriate body, or

(ii) eligible to do specified work under the Education (Specified Work) (England) Regulations 2012 (SI 2012/762;

and in the case of any transferred staff member who undertakes specified work but does not meet the requirements of clause 20)a) or clause 20)b) the Company shall use its best endeavours to ensure that such staff member meets those requirements as soon as possible.

20B) In respect of **16-19 Free Schools**, the Company shall, in accordance with any guidance which the Secretary of State may issue on the qualifications of teaching and other staff in Academies generally and 16-19 Free Schools in particular, employ anyone it deems is suitably qualified or is otherwise eligible under a contract of employment or for services to carry out planning and preparing lessons and courses for students, delivering lessons to students, assessing the development, progress and attainment of students, and reporting on the development, progress and attainment of students.

### **Teachers and Staff at all Academies**

21) The Company shall ensure that all teachers employed at each Academy have access to the Teachers' Pension Scheme and, in so doing, will comply with the statutory provisions underlying the scheme.

22) The Company shall ensure that all employees at each Academy other than teachers have access to the Local Government Pension Scheme in accordance with the Local Government Pension Scheme (Administration) Regulations 2008 (SI 2008/239) (or such other regulations as may for the time being be applicable).

22A) Where a teacher employed at an Academy applies for a teaching post at another Academy, maintained school or institution within the further education sector, the Company must at the request of the governing body or Company of that other educational institution:

- a) advise in writing whether or not, in the preceding two years, there has been any formal consideration of that teacher's capability to perform their role at the Academy; and
- b) provide written details of the concerns which gave rise to any such consideration of that teacher's capability, the duration of the proceedings and their outcome.

#### **Curriculum, curriculum development and delivery and RE and collective worship**

23) The curriculum provided by each Academy to pupils up to the age of 16 shall be broad and balanced.

23A) Not used.

23B) The Company shall publish information in relation to the current curriculum provision at each Academy. Such information shall include details relating to:

- a) the content of the curriculum;
- b) its approach to the curriculum;
- c) the GCSE options (and other Key Stage 4 qualifications) offered by each Academy if applicable and the qualifications offered by each 16 to 19 Free School if applicable;
- d) the names of any phonics or reading schemes in operation for Key Stage 1 if applicable;
- e) how parents (including prospective parents) and Commissioners can obtain further information in relation to the curriculum at each Academy; and

- f) in respect of **16-19 Free Schools**, how students and parents (including prospective students and parents) can obtain further information in relation to the 16 to 19 Free School's curriculum.

23C) Subject to the requirements of clauses 23, 23B and 24 to 29B (as those clauses apply to the particular type or types of Academy), the curriculum will be the responsibility of the Company.

24) In respect of **Mainstream and Special Academies**, the Company shall ensure that the broad and balanced curriculum includes English, mathematics and science, and in respect of **Alternative Provision Academies** the Company shall ensure that the broad and balanced curriculum includes English and mathematics.

24A) Sections 42A (provision of careers guidance) and 45A (guidance as to discharge of duties) of the Education Act 1997 shall be deemed to apply to each Academy except any **16 to 19 Free Schools** with the following modifications:

- a) each Academy shall be treated as falling within the meaning of "a school" under section 42A (2);
- b) the Company shall be deemed to be the "responsible authorities" for the purposes of subsection 42A(3); and
- c) references to registered pupils shall be treated as references to registered pupils at each Academy.

25) The Company shall make provision for the teaching of religious education and for a daily act of collective worship at each of the **Mainstream Academies**

26) Where any of the **Mainstream Academies** is designated with a religious character in accordance with section 124B of the School Standards and Framework Act 1998 or further to section 6(8) of the Academies Act 2010:

- a) subject to clause 28, and paragraph 4 of Schedule 19 to the School Standards and Framework Act 1998 which shall apply as if the Academy were a voluntary aided school with a religious character, the Company shall

ensure that provision is made for religious education to be given to all pupils at the Academy in accordance with the tenets of the specified religion or religious denomination of the Academy;

- b) subject to clause 28, the Company shall comply with the requirements of section 70(1) of, and Schedule 20 to, the School Standards and Framework Act 1998 as if the Academy were a foundation school with a religious character or a voluntary school, and as if references to 'the required collective worship' were references to collective worship in accordance with the tenets and practices of the specified religion or religious denomination of the Academy;
- c) the Company shall ensure that the quality of religious education given to pupils at the Academy and the contents of the Academy's collective worship given in accordance with the tenets and practice of the specific religion or religious denomination are inspected. Such inspection shall be conducted by a person chosen by the Company and the Academy shall secure that such inspection shall comply with the requirements set out in any statutory provision and regulations as if the Academy were a foundation or voluntary school which has been designated under section 69(3) of the School Standards and Framework Act 1998 as having a religious character.

27) Where any of the **Mainstream Academies** has not been designated with a religious character in accordance with section 124B of the School Standards and Framework Act 1998 or further to Section 6(8) of the Academies Act 2010:

- a) subject to clause 28, the Company shall ensure that provision shall be made for religious education to be given to all pupils at the Academy in accordance with the requirements for agreed syllabuses in section 375(3) of the Education Act 1996 and paragraph 2(5) of Schedule 19 to the School Standards and Framework Act 1998;
- b) subject to clause 28, the Company shall ensure that the Academy complies with the requirements of section 70(1) of, and Schedule 20 to, the School

Standards and Framework Act 1998 as if it were a community, foundation or voluntary school which does not have a religious character, except that the provisions of paragraph 4 of that Schedule do not apply. The Academy may apply to the Secretary of State for consent to be relieved of the requirement imposed by paragraph 3(2) of that Schedule, the Secretary of State's consent to such an application not to be unreasonably withheld or delayed;

c) the Company<sup>5</sup>:

(1) agrees that before making an application pursuant to the Religious Character of Schools (Designation Procedure) (Independent Schools) (England) Regulations 2003 for each Academy to be designated as a school with religious character it shall seek the prior written consent of the Secretary of State<sup>6</sup>;

(2) hereby acknowledges that the Secretary of State may in his absolute discretion refuse or consent to the Company making such an application.

27A) Where any of the **Mainstream Academies** is listed in the Register of Independent Schools as having a religious ethos, but has not been designated with a religious character in accordance with section 124B of the School Standards and Framework Act 1998 or further to Section 6(8) of the Academies Act 2010, the Company agrees that paragraph 5(b) of Schedule 11 of the Equality Act 2010 shall not apply to the Academy.

27B) The Company may make provision for the teaching of religious education and for a daily act of collective worship at each of the **Alternative Provision Academies**.

27C) Where any of the **Alternative Provision Academies** does (at its discretion in accordance with clause 27B) make provision for the teaching of religious education

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<sup>5</sup> This is required in order to ensure that the process by which an Academy becomes designated as a school with a religious character is comparable to that which applies for maintained schools.

<sup>6</sup> The Company must undertake consultation on the proposal for designation prior to seeking the Secretary of State's consent.

and/or for a daily act of collective worship at the **Alternative Provision Academy** then:

- a) subject to clause 28, the Company shall ensure that any such provision shall be made for religious education to be given to all pupils at the **Alternative Provision Academy** in accordance with the requirements for agreed syllabuses in section 375(3) of the Education Act 1996 and paragraph 2(5) of Schedule 19 to the School Standards and Framework Act 1998;
- b) subject to clause 28, the Company shall ensure that the **Alternative Provision Academy** complies with the requirements of section 70(1) of, and Schedule 20 to, the School Standards and Framework Act 1998 as if it were a community, foundation or voluntary school which does not have a religious character, except that the provisions of paragraph 4 of that Schedule do not apply. The **Alternative Provision Academy** may apply to the Secretary of State for consent to be relieved of the requirement imposed by paragraph 3(2) of that Schedule, the Secretary of State's consent to such an application not to be unreasonably withheld or delayed.

28) In respect of **Mainstream Academies** and **Alternative Provision Academies** section 71(1) – (6) and (8) of the School Standards and Framework Act 1998 shall apply as if each such Academy were a community, foundation or voluntary school, and as if references to "Religious Education" and to "Religious Worship" in that section were references to the religious education and religious worship provided by each such Academy in accordance with clauses 26 or 27 as appropriate.

28A) The Company shall, so far as practical, make provision for the teaching of religious education and for acts of collective worship at each **Special Academy**.

28B) In respect of RE and collective worship at **Special Academies**:

- a) subject to clause 28B)c), the Company shall ensure that provision shall be made for religious education to be given to all pupils at each **Special**

**Academy** in accordance with the requirements for agreed syllabuses in section 375(3) of the Education Act 1996 and paragraph 2(5) of Schedule 19 to the School Standards and Framework Act 1998.

b) subject to clause 28B)c), the Company shall ensure that each **Special Academy** complies with the requirements of Regulation 5A of the Education (Special Educational Needs) (England) (Consolidation) Regulations 2001 as if it were a maintained special school.

c) Regulation 5A of the Education (Special Educational Needs) (England) (Consolidation) Regulations 2001 shall apply as if the **Special Academy** were a community or foundation special school, and as if references to "Religious Education" and to "Religious Worship" in that section were references to the religious education and religious worship provided by the Academy in accordance with this clause.

28C) Where a **Special Academy** is listed in the Register of Independent Schools as having a religious ethos, the Company agrees that paragraph 5(b) of Schedule 11 of the Equality Act 2010 shall not apply to the Academy.

28D) The Company shall make provision for: (i) the teaching of religious education at each **16 to 19 Free School** for any student attending the **16 to 19 Free School** wishing to receive it; and (ii) ensuring that at an appropriate time on at least one day in each week during which the **16 to 19 Free School** is open an act of collective worship is held at the **16 to 19 Free School** which students receiving education at the **16 to 19 Free School** may attend.

28E) The Company shall not, in respect of any **Mainstream Free School, Special Free School, Alternative Provision Free School** or **16-19 Free School**, make provision in the context of any subject for the teaching, as an evidence-based view or theory, of any view or theory that is contrary to established scientific and/or historical evidence and explanations.

28F) The Company shall, in respect of each **Mainstream Free School** and **Special Free School**, make provision for the teaching of evolution as a comprehensive,

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coherent and extensively evidenced theory. In respect of any **Alternative Provision Free Schools** and **16-19 Free Schools**, the Company shall, where relevant to the curriculum, make provision for the teaching of evolution as a comprehensive, coherent and extensively evidenced theory.

29) Except in any **16-19 Free Schools**, the Company shall have regard to any guidance issued by the Secretary of State, further to section 403 of the Education Act 1996, on sex and relationship education to ensure that children at each Academy are protected from inappropriate teaching materials and they learn the nature of marriage and its importance for family life and for bringing up children. The Company shall also have regard to the requirements set out in section 405 of the Education Act 1996 which shall apply to each Academy as if it were a maintained school.

29A) Except in any **16-19 Free Schools** the Company agrees to act in accordance with Sections 406 (Political Indoctrination) and 407 (Duty to secure balance treatment of political issues) of the Education Act 1996 as if it were a maintained school, subject to the following modifications:

- a) references to any maintained school shall be treated as references to each Academy;
- b) references to registered pupils shall be treated as references to registered pupils at each Academy;
- c) references to the governing body or the local authority shall, in each case, be treated as references to the Company; and
- d) references to the head teacher shall, in each case, be treated as references to the Principal of each Academy<sup>7</sup>.

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<sup>7</sup> Please also see the Charity Commission guidance (CC9): "Speaking out: Guidance on Campaigning and Political Activities by Charities" <http://www.charity-commission.gov.uk/Publications/cc9.aspx>  
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29B) The Company shall in respect of all **Free Schools** ensure that principles are promoted which support fundamental British values, including: respect for the basis on which the law is made and applied in England; respect for democracy and support for participation in the democratic processes; support for equality of opportunity for all; support and respect for the liberties of all within the law; and respect for and tolerance of different faiths and religious and other beliefs.

### **Assessment**

30) The Secretary of State will notify the appropriate body for assessment purposes about each Academy.

a) (i) The Company shall ensure that each **Mainstream Academy** and each **Special Academy** complies with any guidance issued by the Secretary of State from time to time to ensure that pupils take part in assessments and in teacher assessments of pupils' performance as they apply to maintained schools; and the Company shall also do so for each **Alternative Provision Academy** unless there are exceptional reasons to do otherwise.

(ii) The Company shall ensure that students at each **16 to 19 Free School** take part in assessments of students' performance appropriate to the qualifications offered by the **16 to 19 Free School**.

b) In respect of all Academies, the Company shall report to such body on assessments under clause 30 as the Secretary of State shall prescribe and shall provide such information as may be required by that body as applies to maintained schools.

c) In respect of all Key Stages, the Company will submit each Academy to monitoring and moderation of its assessment arrangements as prescribed by the Secretary of State.

d) The Company may offer:

(i) any course of education or training at an Academy which leads to a qualification that is approved by the Secretary of State for the

- purposes of section 96 of the Learning and Skills Act 2000; and
- (ii) any course of education or training not falling within paragraph (i) if the Secretary of State gives his specific written approval for it.

30A)(i) Subject to clause 30B, the Company shall ensure that the following information is published on the website for each **Mainstream Academy**, for each **Alternative Provision Academy**, and where relevant for each **Special Academy**:

a) If applicable, the school's most recent Key Stage 2 results as published by the Secretary of State under the following column headings in the School Performance Tables published on the Department for Education's website:

- (i) "% achieving Level 4 or above in English and maths";
- (ii) "% making expected progress";
- (iii) in relation to English, "% achieving Level 5 or above"; and
- (iv) in relation to maths, "% achieving Level 5 or above".

b) If applicable, the school's most recent Key Stage 4 results as published by the Secretary of State under the following column headings in the School Performance Tables published on the Department for Education's website:

- (i) "% achieving 5 + A\* - C GCSEs (or equivalent) including English and maths GCSEs";
- (ii) "% achieving the English Baccalaureate"; and
- (iii) "% of pupils making expected progress".

c) Information as to where and by what means the most recent report about the school published by her Majesty's Chief Inspector of Education, Children's Services and Skills may be accessed.

- d) Information as to where and by what means the School Performance Tables published by the Secretary of State on the Department for Education's website may be accessed.

30A(ii) Subject to clause 30B, the Company shall ensure that it publishes on its website such information in relation to each **16-19 Free School's** performance as the Secretary of State may request in writing from time to time.

30B) There is no requirement to publish information under clause 30A if to do so would be in breach of the Company's obligations under the Data Protection Act 1998.

### **Exclusions Agreement**

31) In respect of **Mainstream Academies**, and in respect of **Special Academies** which admit pupils without statements of SEN the Company shall, if invited to do so by an LA, enter into an agreement in respect of an Academy with that LA, which has the effect that where:

- a) the Company admits a pupil to the Academy who has been permanently excluded from a maintained school, the Academy itself or another Academy with whom the LA has a similar agreement; or
- b) the Company permanently excludes a pupil from the Academy;

payment will flow between the Company and the LA in the same direction and for the same amount that it would, were the Academy a maintained school, under Regulations made under section 47 of the School Standards and Framework Act 1998 relating to the addition or deduction of a maintained school's budget following a permanent exclusion or the admission of a permanently excluded pupil. At the date of this Agreement, the applicable Regulation is Regulation 23 of the School and Early Years Finance (England) Regulations 2012.

### **School Meals**

32) The Academy Trust must provide school lunches and free school lunches in accordance with the provisions of sections 512(3) and 512ZB(1) of the Education Act 1996 as if references in sections 512 and 512ZB to a local authority were to the Academy Trust and as if references to a school maintained by the local authority were to the Academy.

33) The Academy Trust must comply with school food standards legislation as if it were a maintained school.

33A) Where the Academy Trust provides milk to pupils, it must be provided free of charge to pupils who would be eligible for free milk if they were pupils at a maintained school.

### **Charging**

34) Sections 402 (obligation to enter pupils for public examinations), 450 - 457 (charges), 459 (regulations about information about charges and school hours), 460 (voluntary contributions), 461 (recovery of sums as civil debt) and 462 (interpretation re charges) of the Education Act 1996 (including, for the avoidance of doubt, any secondary legislation made further to those provisions) shall be deemed to apply to each Academy except **16 to 19 Free Schools** with the following modifications:

- a) references to any maintained school shall be treated as references to an Academy;
- b) references to registered pupils shall be treated as references to registered pupils at an Academy;
- c) references to the governing body or the local education authority shall, in each case, be treated as references to the Company;

- d) the Company may charge persons who are not registered pupils at an Academy for education provided or for facilities used by them at that Academy.<sup>8</sup>

**34A) Each 16 to 19 Free School shall:**

a) only be permitted to make charges in the circumstances that institutions within the further education sector are permitted to as set out in the current 16-19 Funding Guidance published by the Secretary of State, as amended from time to time, or such other guidance on 16-19 funding issued by the Secretary of State as may from time to time be applicable; and

b) charge fees for the full cost of the education provided at the **16 to 19 Free School** to non-European Economic Area students who:-

- i) have a valid United Kingdom visa the terms of which state that the relevant student cannot access non-fee paying education; or
- ii) no longer have a valid United Kingdom visa allowing them to enter or remain in the United Kingdom but are applying to renew such a visa; and in each case
- iii) transferred to the **16 to 19 Free School** from any predecessor institution.

If the Academy fails to charge these students, or is unable to recover fees by the end of the term for which they are due, it shall report this to the Secretary of State who may inform the UK Border Agency.

### **International Education Surveys**

34B) Section 538A of the Education Act 1996 (power to direct participation in international surveys) shall be deemed to apply to each Academy with the following modifications:

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<sup>8</sup> For clarification, such charging is separate and distinct from any arrangement that the Company may make with Commissioners concerning the referral of pupils to the alternative provision Free School.

(a) references to the governing body shall be treated as references to the Company; and

(b) references to community, foundation or voluntary school shall be treated as references to the Academy.

### **Pupil Premium**

34C) For **Mainstream Academies**, and those **Special Academies** which receive Pupil Premium Funding<sup>9</sup>, the Company shall publish in each Academy Financial Year information in relation to:

- a) the amount of Pupil Premium allocation that it will receive during the Academy Financial Year;
- b) on what it intends to spend the Pupil Premium allocation;
- c) on what it spent its Pupil Premium in the previous Academy Financial Year;
- d) the impact in educational attainment, arising from expenditure of the previous Academy Financial Year's Pupil Premium.

34D) For each Academy Financial Year, the Academy Trust must publish, on the Academy's website, information about:

- a) the amount of Year 7 literacy and numeracy catch-up premium grant that it will receive during the Academy Financial Year;
- b) what it intends to spend its Year 7 literacy and numeracy catch-up premium grant on;
- c) what it spent its Year 7 literacy and numeracy catch-up premium grant on in the previous Academy Financial Year;

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<sup>9</sup> The Pupil Premium is additional funding for schools to support pupils from low-income families. In instances when those pupils are in special settings, the Education Funding Agency allocates the funding to the setting where they are being educated. There is no requirement for alternative provision settings to publish information as set out in clause 34C.

- d) the impact of the previous year's Year 7 literacy and numeracy catch-up premium grant on educational attainment, and how that effect was assessed.

## **DURATION OF SCHOOL DAY AND YEAR**

34E) In respect of **Mainstream Academies, Alternative Provision Academies and 16 to 19 Free Schools**, the duration of the school day and year will be the responsibility of the Company and for the purpose of this paragraph "school" also means the **16 to 19 Free School**.<sup>10</sup>

## **GRANTS TO BE PAID BY THE SECRETARY OF STATE**

### **General**

35) The Secretary of State shall pay grants towards Recurrent Expenditure and may pay grants towards Capital Expenditure for each Academy. Except with the Secretary of State's prior agreement, the Company shall not budget for its expenditure in any Academy Financial Year in excess of expected income (subject to clause 80). The Company shall not enter into commitments which are likely to have substantial implications for future levels of grant, or for the period for which grant may be required. No decision by the Company shall commit the Secretary of State to paying any particular amount of grant.

36) "Recurrent Expenditure" means any expenditure on the establishment, conduct, administration and maintenance of the Academy which does not fall within the categories of capital expenditure set out at clause 37. The Secretary of State shall pay two separate and distinct grants in respect of recurrent

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<sup>10</sup> In respect of **Special Academies**, regulations made under section 551 of the Education Act 1996 apply (currently the Education (School Day and School Year) (England) Regulations 1999).



expenditure: General Annual Grant ("GAG") and Earmarked Annual Grant ("EAG").

### **Capital Grant**

37) "Capital Expenditure" means expenditure on:

- a) the acquisition of land and buildings;
- b) the erection, enlargement, improvement or demolition of any building including fixed plant, installation, wall, fence or other structure, or any playground or hard standing;
- c) the installation of electrical, mechanical or other services other than necessary replacements, repairs and maintenance due to normal wear and tear;
- d) the purchase of vehicles and other self-propelled mechanical equipment;
- e) the installation and equipping of premises with furnishings and equipment, other than necessary replacements, repairs and maintenance due to normal wear and tear;
- f) the installation and equipping of premises with computers, networking for computers, operating software and information and communication technology equipment, other than necessary updates or necessary replacements, repairs and maintenance due to normal wear and tear;
- g) the provision and equipping of premises, including playing fields and other facilities for social activities and physical recreation other than necessary replacements, repairs and maintenance due to normal wear and tear;
- h) works of a permanent character other than the purchase or replacement of minor day-to-day items;
- i) any major repairs or replacements which are specified as constituting capital expenditure in any grant letter relating to them;

j) such other items (whether of a like or dissimilar nature to any of the foregoing) of a substantial or enduring nature as the Secretary of State may agree shall constitute capital expenditure for the purposes of this Agreement;

k) all professional fees properly and reasonably incurred in connection with the provision of any of the above;

l) VAT and other taxes payable on any of the above.

“Capital Grant” means grant paid to the Company in respect of Capital Expenditure.

38) Where an Academy is to open in new premises, or where existing premises are to be substantially refurbished or remodelled to enable the Academy to open or to continue to operate in such premises, the Secretary of State, may, in his absolute discretion be responsible for meeting the incurred Capital Expenditure for that Academy. To that end, the Secretary of State will consider providing funding in accordance with any arrangements as he considers appropriate.

39) Any Capital Expenditure incurred in respect of each Academy on which Capital Grant payments are sought from the Secretary of State will require the specific prior written agreement of the Secretary of State, which agreement shall not be unreasonably withheld or delayed.

40) Any payment of Capital Grant to the Company under this Agreement is subject to the fulfilment of the following conditions:

a) such grants are used solely to defray expenditure approved by the Secretary of State;

b) the Company certifying and providing evidence that all planning and other consents necessary for the development and all related infrastructure to be completed have been obtained or put in place;

c) Any other conditions that the Secretary of State may specify.

## **Arrangements for Payment of Capital Grant**

41) Capital Grant will be paid by the Secretary of State to the Company on the basis of claims for grant submitted to the Secretary of State in the notified format with supporting invoices and certificates as required by the Secretary of State. If a dispute arises as to whether a claim is or is not acceptable both parties undertake to attempt to resolve it in good faith. In the event of such a dispute, the Secretary of State shall pay to the Company so much of the claim as shall not be in dispute.

## **General Annual Grant**

41A) GAG paid by the Secretary of State in respect of an Academy shall only be spent by the Company towards the normal running costs of the Academies.

42) Clauses 42A to 43 and clauses 50 to 51 apply in respect of all **Mainstream Academies**. Clauses 44-49 apply in respect of **Mainstream Free Schools** only. Clauses 49A to 49G apply to **Traditional Mainstream Academies** but not, for these purposes, **Traditional Sponsored Academies**). In this context, clauses 49H to 49O apply to **Traditional Sponsored Academies** only.

42A) GAG will be paid by the Secretary of State to the Company in order to cover the normal running costs of each **Mainstream Academy**. These will include, but are not limited to:

- a) teachers' salaries and related costs (including full and part time teaching staff and seconded teachers);
- b) non-teaching staff salaries and related costs (including pension contributions, educational support staff, administrative and clerical staff and manual and premises related staff);
- c) employees' expenses;
- d) the purchase, maintenance, repair and replacement:

- (i) of teaching and learning materials and other educational equipment, including books, stationery and ICT equipment and software, sports equipment and laboratory equipment and materials;
  - (ii) of other supplies and services;
- e) examination fees;
- f) repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting etc); maintenance of grounds (including boundary fences and walls); cleaning materials and contract cleaning; water and sewerage; fuel and light (including fuel oil, solid and other fuel, electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;
- g) insurance;
- h) medical equipment and supplies;
- i) staff development (including in-service training);
- j) curriculum development;
- k) the costs of providing school meals for pupils (including the cost of providing free school meals to pupils who are eligible to receive them), and discretionary grants to pupils to meet the cost of pupil support, including support for pupils with special educational needs or disabilities (taking account of the fact that separate additional money will be available for pupils with statements of special educational needs);
- l) administration; and
- m) establishment expenses and other institutional costs.

43) Subject to clause 50 of this Agreement and clause 4A.2 of the Supplemental Agreement as regards **Mainstream Free Schools**, and subject to clauses 49G

and 50 as regards **Traditional Mainstream Academies**, GAG for each Academy Financial Year for each **Mainstream Academy** will include:

- a) funding equivalent to that which would be received by a maintained school with similar characteristics, determined by the Secretary of State and notified in the Annual Letter of Funding or its equivalent, taking account of the number of pupils at each **Mainstream Academy**;
- b) funding for the cost of functions which would be carried out by the local authority if each **Mainstream Academy** were a maintained school, such funding to be determined at the discretion of the Secretary of State;
- c) funding for matters for which it is necessary for the relevant **Mainstream Academy** to incur extra costs, to the extent that those costs are deemed in the discretion of the Secretary of State to be necessary; and
- d) payments equivalent to further, specific grants made available to maintained schools, where the relevant **Mainstream Academy** meets the requisite conditions and criteria necessary for a maintained school to receive these grants, such payments to be at the discretion of the Secretary of State.

#### **Calculation of GAG at Mainstream Free Schools**

44) Subject to clause 46, the basis of the pupil number count for the purposes of determining GAG at each **Mainstream Free School** for an Academy Financial Year will be the Company's most recent estimate in respect of such **Mainstream Free Schools** provided in accordance with clause 45.

45) The Secretary of State shall in advance of each Academy Financial Year for each **Mainstream Free School**, at such time or times as he shall determine, request that the Company provides an estimate of the number of pupils on roll in the following September at each **Mainstream Free School** for the purposes of determining GAG for an Academy Financial Year at each **Mainstream Free School**, and the Company shall provide the requested estimate (such estimate to

be based on an objective assessment of numbers) in respect of each **Mainstream Free School** to the Secretary of State as soon as reasonably practicable.

46) Once the condition specified in clause 47) has been satisfied with respect to the relevant **Mainstream Free School** for the Academy Financial Year for which funding is being calculated, the basis of the pupil number count for the purpose of determining GAG for the relevant **Mainstream Free School** will be:

- a) for the pupil number count for pupils in Year 11 and below, the Schools Census for the relevant month (determined at the discretion of the Secretary of State) preceding the Academy Financial Year in question;

and

- b) for the pupil number count for pupils in Year 12 and above, the formula which for the time being is in use for maintained schools for the calculation of pupil numbers for pupils in Year 12 and above for the purpose of calculating their level of funding.

47) For the purpose of clause 46), the condition is satisfied in the Academy Financial Year which immediately follows the Academy Financial Year in which all planned Year-groups will be present at the relevant **Mainstream Free School** (that is, all the pupil cohorts relevant to the age-range of the relevant **Mainstream Free School** will have some pupils present).

48) For any Academy Financial Year in which GAG for the relevant **Mainstream Free School** has been calculated in accordance with clauses 44) and 45), an adjustment may be made to the following Academy Financial Year's formula funding element of GAG for the relevant **Mainstream Free School** to recognise any variation from that estimate. The Secretary of State may for the purpose of calculating any adjustment to the formula funding element of GAG under this clause, use the Census for the relevant month (determined at the discretion of the Secretary of State) for the Academy Financial Year in question as a means of determining pupil numbers in an Academy Financial Year. The additional or clawed-

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back grant will be only that amount relevant to the number of pupils above or below that estimate.

49) For any Academy Financial Year in which GAG for the relevant **Mainstream Free School** is calculated in accordance with clause 46), no adjustment will be made to the equivalence funding element in the following Academy Financial Year's equivalence funding element of GAG for the relevant **Mainstream Free School** unless the Company demonstrates to the satisfaction of the Secretary of State that there has been a significant impact on costs, such as an extra class. For any other element of GAG for the relevant **Mainstream Free School** the Secretary of State may make adjustments to recognise a variation in pupil numbers from that used to calculate the element of grant in question; the basis of these will be set out in the Annual Letter of Funding or its equivalent.

**Calculation of GAG in relation to Traditional Mainstream Academies (not including Traditional Sponsored Academies)**

49A) Subject to clause 49C, the basis of the pupil number count for the purposes of determining GAG for the Academy Financial Year in which a **Traditional Mainstream Academy** opens shall be the same basis as that used by the Local Authority for determining the budget share of the predecessor maintained school as adjusted by numbers counted in any subsequent Schools Census, as determined by the Secretary of State.

49B) Subject to clause 49C the basis of the pupil number count for the purpose of determining GAG for a **Traditional Mainstream Academy** for Academy Financial Years after the Academy Financial Year in which the Academy opens will be:

- a) for the pupil number count for pupils in Year 11 and below, the Schools Census which is used to fund maintained schools for the financial year overlapping with the Academy Financial Year in question; and
- b) for the pupil number count for pupils in Year 12 and above, the formula which for the time being is in use for maintained schools for the

calculation of pupil numbers for pupils in Year 12 and above for the purpose of calculating their level of funding.

49C) Where either of the following conditions applies in respect of an Academy Financial Year, the basis of the pupil count shall be determined by the Secretary of State, taking account of any diseconomies of scale that the Academy will be under as a result of such condition(s) applying. The conditions are:

- a) not all planned Year-groups will be present at the Academy (that is, not all the pupil cohorts relevant to the age-range of the Academy will have some pupils present); or
- b) the total number of pupils as measured in the Schools Census which is used to fund maintained schools for the financial year overlapping with the Academy Financial Year in question is less than 90% of the planned final size of the Academy, as specified in the Academy's Supplemental Agreement, and has not at any previous time been 90% or more of that number.

49D) For any Academy Financial Year in which GAG for a **Traditional Mainstream Academy** has been calculated in accordance with clause 49A, no adjustment shall be made to the following Academy Financial Year's formula funding element of GAG for that Academy to recognise variation from the pupil count basis used.

49E) For any Academy Financial Year in which GAG for a **Traditional Mainstream Academy** is calculated in accordance with clause 49B, no adjustment will be made to the formula funding element in the following Academy Financial Year's formula funding element of GAG unless the Company demonstrates to the satisfaction of the Secretary of State that there has been a significant impact on balances. For any other element of GAG the Secretary of State may make adjustments to recognise a variation in pupil numbers from that used to calculate the element of grant in question; the basis of these will be set out in the annual letter of funding.

49F) The Secretary of State recognises that:



- a) in relation to **Traditional Mainstream Academies** which open with intakes representing only a proportion of the final planned size of the Academy, payments based simply upon the number of pupils present are unlikely to be sufficient to meet the Academy's needs in the Academy Financial Years before all age groups are present at their planned size (the "Start-up Period") because of a lack of economies of scale. The Secretary of State may pay an appropriately larger GAG in the Start-up Period than would be justified solely on the basis of the methods set out in clause 43 and clauses 49A-49E, in order to enable the Academy to operate effectively<sup>11</sup>;
- b) in relation to **Traditional Mainstream Academies** which open with pupils transferred from one or more maintained schools which have closed, additional GAG resources may be required to take account of transitional costs including any costs associated with supporting the integration of pupils from the closed schools and, where necessary, to offer a dual curriculum. If the Secretary of State has indicated that such additional GAG will be payable, the Company will make a bid for this addition to GAG based upon need and providing appropriate supporting evidence.

49G) During the Start-up Period or during the period when year groups are present who have transferred from a predecessor school or schools, the Secretary of State will pay a further element of GAG additional to that calculated in accordance with the methods set out in clauses 43-44 and clauses 49A-49E to allow the relevant **Traditional Mainstream Academy** to:

- a) purchase a basic stock of teaching and learning materials (including library books, text books, software, stationery, science equipment and equipment for physical education) and other consumable materials;
- b) meet the costs associated with the recruitment and induction of additional teaching and other staff.

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<sup>11</sup> Note that a larger GAG for the Start-Up Period is only applicable to Academies with approved Academy Action Plans.

After the Start-up Period these costs will be met through the ordinary GAG.

### **Calculation of GAG in relation to Traditional Sponsored Academies**

49H) Subject to clause 49J, the basis of the pupil number count for the purposes of determining GAG for the first Academy Financial Year in which the Academy opens and the following four Academy Financial Years (the "Initial Five Year Term") will be the Company's most recent estimate of the numbers of pupils on the roll provided in accordance with clause 49I. However, the Secretary of State may make adjustments to the GAG for the following Academy Financial Year to recognise any variation between the number of pupils that were actually on the roll in the previous September and the Company's estimate provided in accordance with clause 49I. The basis of these will be set out in the Annual Letter of Funding.

49I) The Secretary of State shall in advance of each Academy Financial Year for the Academy, at such time or times as he shall determine, request that the Company provides an estimate of the number of pupils on roll in the following September for the Academy for the purposes of determining GAG for an Academy Financial Year. The Company shall provide the requested estimate (such estimate to be based on an objective assessment of numbers) to the Secretary of State as soon as reasonably practicable.

49J) If in relation to the Academy the Conditions (as defined in Clause 49K below) have been met then the basis of the pupil number count for the purpose of determining GAG for the Academy Financial Year in question will be determined in accordance with Clause 49K and Clause 49H will no longer apply.

49K) After: (i) all planned Year-groups are present at the Traditional Sponsored Academy (that is, all the pupil cohorts relevant to the age-range of the Academy will have some pupils present); and (ii) the total number of pupils as measured in the Schools Census which is used to fund maintained schools for the financial year overlapping with the Academy Financial Year in question is 90% or more of

the planned final size of the Academy, as specified in the Academy's Supplemental Agreement (together, the "Conditions") the basis of the pupil number count for the purpose of determining GAG for the Academy for Academy Financial Years will be:

- a) for the pupil number count for pupils in Year 11 and below, the Schools Census which is used to fund maintained schools for the financial year overlapping with the Academy Financial Year in question; and
- b) for the pupil number count for pupils in Year 12 and above, the formula which for the time being is in use for maintained schools for the calculation of pupil numbers for pupils in Year 12 and above for the purpose of calculating their level of funding.

49L) If either of the Conditions have not been met in respect of an Academy Financial Year and the Initial Five Year Term has come to an end, the basis of the pupil count for the Academy shall be determined by the Secretary of State, taking account of any diseconomies of scale that the Academy will be under as a result of such Condition(s) not applying.

49M) For any Academy Financial Year in which GAG for the Academy is calculated in accordance with clause 49J, no adjustment will be made to the formula funding element in the following Academy Financial Year's formula funding element of GAG unless the Company demonstrates to the satisfaction of the Secretary of State that there has been a significant impact on balances. For any other element of GAG the Secretary of State may make adjustments to recognise a variation in pupil numbers from that used to calculate the element of grant in question; the basis of these will be set out in the annual letter of funding.

49N The Secretary of State recognises that:

- a) in relation to **Traditional Sponsored Academies** which open with intakes

representing only a proportion of the final planned size of the Academy, payments based simply upon the number of pupils present are unlikely to be sufficient to meet the Academy's needs in the Academy Financial Years before all age groups are present at their planned size (the "Start-up Period") because of a lack of economies of scale. The Secretary of State may pay an appropriately larger GAG in the Start-up Period than would be justified solely on the basis of the methods set out in clauses 43 and 49H-49M, in order to enable the Academy to operate effectively<sup>12</sup>;

- b) in relation to **Traditional Sponsored Academies** which open with pupils transferred from one or more maintained schools which have closed, additional GAG resources may be required to take account of transitional costs including any costs associated with supporting the integration of pupils from the closed schools and, where necessary, to offer a dual curriculum. If the Secretary of State has indicated that such additional GAG will be payable, the Company will make a bid for this addition to GAG based upon need and providing appropriate supporting evidence.

49O) During the Start-up Period or during the period when year groups are present who have transferred from a predecessor school or schools, the Secretary of State will pay a further element of GAG additional to that calculated in accordance with the methods set out in clauses 43 and 49H-49M to allow the relevant **Traditional Sponsored Academy** to:

- a) purchase a basic stock of teaching and learning materials (including library books, text books, software, stationery, science equipment and equipment for physical education) and other consumable materials;
- b) meet the costs associated with the recruitment and induction of additional teaching and other staff.

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<sup>12</sup> Note that a larger GAG for the Start-Up Period is only applicable to Academies with approved Academy Action Plans.

After the Start-up Period these costs will be met through the ordinary GAG.

### **GAG in relation to Mainstream Academies in general**

50) The Secretary of State recognises that if he serves notice of intention to terminate this Agreement or a Supplemental Agreement, the intake of new pupils during the notice period is likely to decline and that in such circumstances payments based simply upon the number of pupils attending the relevant **Mainstream Academy** or **Mainstream Academies** are unlikely to be sufficient to meet the **Mainstream Academy's** or **Mainstream Academies'** needs during the notice period. In those circumstances, the Secretary of State may undertake to pay a reasonable and appropriately larger GAG with respect to that **Mainstream Academy** or those **Mainstream Academies** in the notice period than would be justified solely on the basis of the methods set out in clauses 43 and clauses 49A-49E, in order to enable the **Mainstream Academy** or **Mainstream Academies** to operate effectively.

51) The Secretary of State also recognises that if this Agreement or a Supplemental Agreement is terminated for any reason by either party the number of pupils at the relevant **Mainstream Academy** or **Mainstream Academies** is likely to decline. In these circumstances both parties undertake to attempt to resolve issues arising from such termination in good faith and with the aim of protecting the interests and the education of the pupils at the relevant **Mainstream Academy** or **Mainstream Academies**.

### **Calculation of GAG at Special Academies**

52) Clauses 52A to 54 and clauses 54F to 54H apply in respect of all **Special Academies**. Clauses 54A to 54E apply to **Special Free Schools** only. Clause 54F applies to **Traditional Special Academies** only.

52A) GAG will be paid by the Secretary of State to the Company as a contribution towards the normal running costs of each **Special Academy**. These will include, but are not limited to:

- a. teachers' salaries and related costs (including full and part time teaching staff and seconded teachers);
- b. non-teaching staff salaries and related costs (including pension contributions, educational support staff, administrative and clerical staff and manual and premises related staff);
- c. employees' expenses;
- d. the purchase, maintenance, repair and replacement:
  - (i) of teaching and learning materials and other educational equipment, including books, stationery and ICT equipment and software, sports equipment and laboratory equipment and materials;
  - (ii) of other supplies and services;
- e. examination fees;
- f. repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting etc); maintenance of grounds (including boundary fences and walls); cleaning materials and contract cleaning; water and sewerage; fuel and light (including fuel oil, solid and other fuel, electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;
- g. insurance;
- h. medical equipment and supplies;
- i. staff development (including in-service training);
- j. curriculum development;
- k. the costs of providing school meals for pupils (including the cost of providing free school meals to pupils who are eligible to receive them), and discretionary grants to pupils to meet the cost of pupil support, including

support for pupils with special educational needs or disabilities (taking account of the fact that separate additional money will be available for pupils with statements of special educational needs);

l. administration;

m. establishment expenses and other institutional costs.

53) Subject to clause 54G of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant Special Free School, GAG for each Financial Year for each **Special Academy** will include:

a) funding determined by the Secretary of State and notified in the Annual Letter of Funding or its equivalent, taking account of the number of pupils/and or places at the **Special Academy**;

b) funding for the cost of functions which would be carried out by the local authority if the **Special Academy** were a maintained school, such funding to be determined at the discretion of the Secretary of State .

c) funding for matters for which it is necessary for the **Special Academy** to incur extra costs, to the extent that those costs are deemed in the discretion of the Secretary of State to be necessary; and

d) Payments equivalent to further, specific grants made available to maintained schools, where the **Special Academy** meets the requisite conditions and criteria necessary for a maintained school to receive these grants, such payments to be at the discretion of the Secretary of State;

53A) The Secretary of State will determine GAG for each **Special Academy** for each Academy Funding Year. The determination will be made taking into account relevant factors. Arrangements for this will be set out in the Annual Letter of Funding or its equivalent.

54) The Secretary of State may make provision, within his absolute discretion, for GAG to be adjusted in-year if the number of pupils attending one of the **Special**

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**Academies** at specified dates exceeds or falls below thresholds specified by letter. Arrangements for this will be set out in the Annual Letter of Funding.

#### **Calculation of GAG in relation to Special Free Schools**

54A) Subject to clause 54C, the basis of the number count for Non-Statemented Pupils for the purposes of determining GAG for an Academy Funding Year for each **Special Free School** will be the Company's most recent estimate for each **Special Free School** provided in accordance with clause 54B.

54B) The Secretary of State shall in advance of each Academy Financial Year for each **Special Free School**, at such time or times as he shall determine, request that the Company provides an estimate of the number of pupils on roll in the following September for each **Special Free School** for the purposes of determining GAG for an Academy Financial Year, and the Company shall provide the requested estimate for each **Special Free School** (such estimates to be based on an objective assessment of numbers at each Special Free School) to the Secretary of State as soon as reasonably practicable.

54C) Once the condition specified in clause 54D has been satisfied with respect to the relevant **Special Free School** for the Academy Funding Year for which funding is being calculated, the basis of the number count for Non-Statemented Pupils for the purpose of determining GAG for the relevant **Special Free School** will be the actual number of Non-Statemented Pupils on roll in the relevant month of the previous Academy Financial Year. The relevant month shall be a month determined by the Secretary of State.

54D) For the purpose of clause 54C, the condition is satisfied when the number of Non-statemented Pupils on roll is 90% or more of the number stated in clause 18B.

54E) For any Academy Funding Year in which GAG for Non-Statemented Pupils has been calculated in accordance with clause 54A for the relevant **Special Free School**, an adjustment will be made to the following Academy Funding Year's GAG for the relevant **Special Free School** to recognise any variation from that estimate.



The additional or clawed-back grant will be only that amount relevant to the number of pupils above or below that estimate.

### **Calculation of GAG in relation to Traditional Special Academies**

54F) The Secretary of State recognises that a larger GAG may be appropriate to meet additional costs during the start-up period, and may pay start-up grant, on a basis determined by him, during that period, the length of which will be stipulated in the annual letter of funding.<sup>13</sup>

### **GAG in relation to Special Academies in general**

54G) The Secretary of State recognises that if he serves notice of intention to terminate a Supplemental Agreement, the intake of new pupils during the notice period is likely to decline and that in such circumstances payments based on a number of places related to the number of pupils attending the relevant **Special Academy** are unlikely to be sufficient to meet the **Special Academy's** needs during the notice period. The Secretary of State may undertake to pay a reasonable and appropriately larger GAG with respect to that **Special Academy** in the notice period than would be justified solely on the basis of the methods set out in clauses 53-54, in order to enable the **Special Academy** to operate effectively.

54H)The Secretary of State also recognises that if this Agreement or a Supplemental Agreement is terminated for any reason by either party the number of pupils at the relevant **Special Academy** or **Special Academies** is likely to decline. In these circumstances both parties undertake to attempt to resolve issues arising from such termination in good faith and with the aim of protecting the interests and the education of the pupils at the **Special Academy** or **Special Academies**.

### **Calculation of GAG in relation to Alternative Provision Academies**

54I) Clauses 54J to 54O apply in relation to all **Alternative Provision Academies**.

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<sup>13</sup> Note that a larger GAG for the Start-up Period is only applicable to Academies with approved Academy Action Plans.  
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54J) GAG will be paid by the Secretary of State to the Company as a contribution<sup>14</sup> to the normal running costs of the **Alternative Provision Academy**. These will include, but are not limited to:

- a) teachers' salaries and related costs (including full and part time teaching staff and seconded teachers);
- b) non-teaching staff salaries and related costs (including pension contributions, educational support staff, administrative and clerical staff and manual and premises related staff);
- c) employees' expenses;
- d) the purchase, maintenance, repair and replacement:
  - (i) of teaching and learning materials and other educational equipment, including books, stationery and ICT equipment and software, sports equipment and laboratory equipment and materials;
  - (ii) of other supplies and services;
- e) examination fees;
- f) repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting etc); maintenance of grounds (including boundary fences and walls); cleaning materials and contract cleaning; water and sewerage; fuel and light (including fuel oil, solid and other fuel, electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;
- g) insurance;
- h) medical equipment and supplies;

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<sup>14</sup> The extent of any such contribution to be within the absolute discretion of the Secretary of State.

- i) staff development (including in-service training);
- j) curriculum development;
- k) the costs of providing school meals for pupils (including the cost of providing free school meals to pupils who are eligible to receive them), and discretionary grants to pupils to meet the cost of pupil support, including support for pupils with special educational needs or disabilities (taking account of the fact that separate additional money will be available for pupils with statements of special educational needs);
- l) administration;
- m) establishment expenses and other institutional costs.

54K) Subject to clause 54N of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant **Alternative Provision Academy**, GAG for each Academy Financial Year for each **Alternative Provision Academy** will include:

- a) funding determined by the Secretary of State and notified in the Annual Letter of Funding or its equivalent, taking account of the number of pupils and/or places at the **Alternative Provision Academy**;
- b) funding for the cost of functions which would be carried out by the local authority if the **Alternative Provision Academy** were a maintained school, such funding to be determined at the discretion of the Secretary of State.
- c) funding for matters for which it is necessary for the **Alternative Provision Academy** to incur extra costs, to the extent that those costs are deemed in the discretion of the Secretary of State to be necessary; and
- d) payments equivalent to further, specific grants made available to maintained schools, where the **Alternative Provision Academy** meets the requisite conditions and criteria necessary for a maintained school to receive these grants, such payments to be at the discretion of the Secretary of State.

54L) The Secretary of State will determine GAG for each **Alternative Provision Academy** for each Academy Funding Year. The determination will be made taking into account relevant factors. Arrangements for this will be set out in the Annual Letter of Funding or its equivalent.

54M) The Secretary of State may make provision, within his absolute discretion, for GAG to be adjusted in-year if the number of pupils attending one of the **Alternative Provision Academies** at specified dates exceeds or falls below thresholds specified by letter. Arrangements for this will be set out in the Annual Letter of Funding or its equivalent. .

54N)The Secretary of State recognises that if he serves notice of intention to terminate this Agreement, the intake of new pupils during the notice period is likely to decline and that in such circumstances the total income of the relevant **Alternative Provision Academy** is unlikely to be sufficient. In such circumstances payments based simply upon the number of pupils attending that Academy are unlikely to be sufficient to meet the Academy's needs during the notice period. The Secretary of State may undertake to pay a reasonable and appropriately larger GAG with respect to the **Alternative Provision Academy** in the notice period than would be justified solely taking into account factors at clauses 54K-54M in order to enable the **Alternative Provision Academy** to operate effectively.

54O) The Secretary of State also recognises that if this Agreement is terminated for any reason by either party the number of pupils at the relevant **Alternative Provision Academy** is likely to decline. In these circumstances both parties undertake to attempt to resolve issues arising from such termination in good faith and with the aim of protecting the interests and the education of the pupils at the **Alternative Provision Academy**.

#### **Calculation of GAG in relation to 16-19 Free Schools**

54P) Clauses 54Q to 54X apply in respect of 16 to 19 Free Schools only.

54Q) GAG will be paid by the Secretary of State to the Company in order to cover the normal running costs of each 16 to 19 Free School. These will include, but are not limited to:

- a) teachers' salaries and related costs (including full and part time teaching staff and seconded teachers);
- b) non-teaching staff salaries and related costs (including pension contributions, educational support staff, administrative and clerical staff and manual and premises related staff);
- c) employees' expenses;
- d) the purchase, maintenance, repair and replacement:
  - (i) of teaching and learning materials and other educational equipment, including books, stationery and ICT equipment and software, sports equipment and laboratory equipment and materials;
  - (ii) of other supplies and services;
- e) examination fees;
- f) repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting, etc); maintenance of grounds (including boundary fences and walls); cleaning materials and contract cleaning; water and sewerage; fuel and light (including fuel oil, solid and other fuel, electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;
- g) insurance;
- h) medical equipment and supplies;
- i) staff development (including in-service training);
- j) curriculum development;
- k) discretionary grants to students to meet the cost of student support, including support for students with learning difficulties or disabilities (taking account of the fact that separate additional money will be available for students with learning difficulties or disabilities);
- l) administration;

- m) establishment expenses and other institutional costs.

54R) Subject to clause 54W of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant 16 to 19 Free School, GAG for each Academy Funding Year for each 16 to 19 Free School will include:

- a) funding in accordance with the national funding formula for the education and training of 16-19 year olds, determined by the Secretary of State and notified in the Annual Letter of Funding or its equivalent, taking account of the number of students at the 16 to 19 Free School;
- b) funding for matters for which it is necessary for the 16 to 19 Free School to incur extra costs, to the extent that those costs are deemed in the discretion of the Secretary of State to be necessary; and
- c) payments equivalent to further, specific grants made available to institutions within the further education sector, where the 16 to 19 Free School meets the requisite conditions and criteria necessary for an institution within the further education sector to receive these grants, such payments to be at the discretion of the Secretary of State.

54S) During the "Start-up Period" (as defined in the Supplemental Agreement for each 16 to 19 Free School) the basis of the student number count for the purposes of determining GAG for an Academy Funding Year for each 16 to 19 Free School will be the Company's estimate each year for numbers on roll in the following September for the 16 to 19 Free School, such estimate to be based on an objective assessment of student numbers and agreed with the Secretary of State.

54T) After the "Start-up Period" (as defined in the Supplemental Agreement for each 16 to 19 Free School) the arrangements for calculating the student number count for the purpose of determining GAG for each 16 to 19 Free School shall be

those provided for in guidance on the national funding system published by the Secretary of State under section 15ZD of the Education Act 1996 for the relevant Academy Funding Year, in respect of persons who have reached the age of 16 but have not reached the age of 19, or are aged 19-24 and have a learning difficulty and/or disability and are the subject of a learning difficulty assessment.

54U) For any Academy Funding Year in which GAG for a 16 to 19 Free School has been calculated in accordance with clause 54S, an adjustment will be made to the following Academy Funding Year's formula funding element of GAG for the 16 to 19 Free School to recognise any variation from that estimate. The additional or clawed-back grant will be only that amount relevant to the number of students above or below that estimate.

54V) For any Academy Funding Year in which GAG for a 16 to 19 Free School is calculated in accordance with clause 54T, no adjustment will be made to the equivalence funding element in the following Academy Funding Year's equivalence funding element of GAG. For any other element of GAG the Secretary of State may make adjustments to recognise a variation in student numbers from that used to calculate the element of grant in question; the basis of these will be set out in guidance on the national funding system published by the Secretary of State under section 15ZD of the Education Act 1996 for the relevant Academy Funding Year.

54W) The Secretary of State recognises that if he serves notice of intention to terminate this Agreement, the intake of new students during the notice period is likely to decline and that in such circumstances payments based simply upon the number of students attending the relevant 16 to 19 Free School are unlikely to be sufficient to meet the Academy's needs during the notice period. In those circumstances, the Secretary of State may undertake to pay a reasonable and appropriately larger GAG with respect to the relevant 16 to 19 Free School in the notice period than would be justified solely on the basis of the methods set out in clauses 54Q-54U, in order to enable the relevant 16 to 19 Free School to operate effectively.

54X) The Secretary of State also recognises that if this Agreement is terminated for



any reason by either party the number of students at the relevant 16 to 19 Free School is likely to decline. In these circumstances both parties undertake to attempt to resolve issues arising from such termination in good faith and with the aim of protecting the interests and the education of the students at the relevant 16 to 19 Free School.

### **Earmarked Annual Grant**

55) Earmarked Annual Grant ("EAG") shall be paid by the Secretary of State to the Company in respect of either recurrent or Capital Expenditure for such specific purposes as may from time to time be agreed between the Secretary of State and the Company and as described in the relevant funding letter. The Company shall only spend EAG in accordance with the scope, terms and conditions of the grant set out in the relevant funding letter.

56) Where the Company is seeking a specific EAG in relation to any Academy Financial Year, it shall submit a letter outlining its proposals and the reasons for its request to the DfE.

### **Arrangements for Payment of GAG and EAG**

57) The Secretary of State shall notify the Company at a date preceding the start of each Academy Financial Year of the GAG and EAG figures in respect of each Academy which, subject to Parliamentary approval, the Secretary of State plans for that Academy Financial Year and of the assumptions and figures on which these are based.

58) If GAG or EAG is calculated incorrectly due to a mistake of the Secretary of State then:

- a) if this leads to an underpayment of GAG, the Secretary of State will correct the underpayment in subsequent Academy Financial Years;
- b) if this leads to an overpayment of GAG, the Secretary of State reserves the right to recover any overpaid grant in subsequent Academy Financial Years,



as appropriate, having considered all the relevant circumstances and taking into account any representations from the Company.

59) If GAG or EAG is calculated incorrectly because the Company provides incorrect information to the Secretary of State then:

a) if this leads to an underpayment of GAG, the Secretary of State may correct the underpayment in subsequent Academy Financial Years;

b) if this leads to an overpayment of GAG, the Secretary of State reserves the right to recover any overpaid grant in subsequent Academy Financial Years, as appropriate, having considered all the relevant circumstances and taking into account any representations from the Company.

60) The amounts of GAG for an Academy Financial Year will be determined annually by the Secretary of State. The amount of GAG for each Academy for the initial Academy Financial Year will be notified to the Company in a funding letter at a date preceding that year. For subsequent years the amount of GAG will be notified to the Company in a funding letter preceding that Academy Financial Year (the "Annual Letter of Funding"). The Annual Letter of Funding will not include the amount that the Company will receive in respect of grants for which information to enable timely calculation is not available or is incomplete, such grants will be notified as soon as practicable later in the year. Amounts of EAG will be notified to the Company wherever possible in the Annual Letter of Funding or its equivalent as soon as practicable thereafter.

61) The Secretary of State undertakes to pay GAG in monthly instalments on or before the twenty-fifth day of each month, each such instalment to fund the salaries and other payroll costs for the relevant month of all monthly paid employees and all other costs payable during the next following month. The detailed arrangements for payment will be set out in the Annual Letter of Funding or its equivalent.

## **Additional Funding**

62) With regards to a **Traditional Sponsored Academy**, the Company may apply to the Secretary of State for financial assistance in relation to proposed redundancies that it may make. On an application to the Secretary of State, he may (at his absolute discretion) agree to meet a proportion of the Company's costs arising from the inclusion of Academies in the Schedules to the Redundancy Payments (Continuity of Employment in Local Government)(Modification) Order 1999. In response to an application for financial assistance, the Secretary of State may agree to meet the costs of the employees' prior eligible service, being service prior to opening of the Academy, but the Company will be required to meet the costs of service after the opening of the Academy.

62A With regards to any **Traditional Alternative Provision Academy**, the Company may apply to the Secretary of State for financial assistance in relation to the proposed redundancies that it may make. On an application to the Secretary of State, he may (at his absolute discretion) agree to meet a proportion of the Company's costs arising from the inclusion of Academies in the Schedules to the Redundancy Payments (Continuity of Employment in Local Government) (Modification) Order 1999. In response to an application for financial assistance, the Secretary of State may agree to meet the costs of the employees' prior eligible service, being service prior to the opening of the Alternative Provision Non-Free School Academy, but the Company will be required to meet the costs of service after the opening of the Alternative Provision Non-Free School Academy.

63) As regards **Traditional Mainstream Academies, Traditional Special Academies and Traditional Alternative Provision Academies**, the Secretary of State may meet costs incurred by the Company in connection with the transfer of employees from any predecessor school under the Transfer of Undertakings (Protection of Employment) Regulations 2006. Payment of grant in respect of such costs is to be agreed between the parties on a case by case basis and the Company shall not budget on the basis that it will receive any grant in respect of such costs unless it is specifically notified that such grant will be paid.

64) Except in relation to **16-19 Free Schools**, the Company may also receive funding from an LA in respect of the provision detailed in statements of SEN for pupils attending an Academy in accordance with the provisions of Section 483A of the Education Act 1996 and regulations made under that section. The Company shall ensure that all provision detailed in statements of SEN is provided for such pupils.

65) Not used.

## **FINANCIAL AND ACCOUNTING REQUIREMENTS**

### **General**

66) The Company shall appoint an Accounting Officer and shall notify the Secretary of State of that appointment.

67) In relation to the use of grant paid to the Company by the Secretary of State, the Company shall abide by the requirements of, and have regard to the guidance in, the Academies Financial Handbook published by the DfE and amended from time to time and as modified to take account of the fact that the Company manages more than one Academy or any other publication which the DfE notifies in writing to the Company that it is required to follow in addition to, or instead of the Academies Financial Handbook, which sets out in detail provisions for the financial management of each Academy including guidance on financial systems and controls and accounting and reporting requirements, in so far as these are not inconsistent with any accounting and reporting requirements and guidance that it may be subject to by virtue of its being a charity.

67A) The Company shall abide by the requirements of the current 16 to 19 Funding Guidance published by the Secretary of State and as amended from time to time, or such other guidance on 16 to 19 funding issued by the Secretary of State as may from time to time be applicable, in respect of any its provision for persons who are above compulsory school age until the academic year in which they reach the age of 19.

68) The formal budget plan must be approved each Academy Financial Year by the Directors of the Company.

69) Any payment of grant by the Secretary of State in respect of each Academy is subject to his being satisfied as to the fulfilment by the Company of the following conditions:

- a) in its conduct and operation it shall apply financial and other controls which conform to the requirements both of propriety and of good financial management;
- b) arrangements have been made to maintain proper accounting records and that statements of income and expenditure and balance sheets may be produced in such form and frequency as the Secretary of State may from time to time reasonably direct;
- c) in addition to the obligation to fulfil the statutory requirements referred to in sub-clause f) below, the Company shall prepare its financial statements, Directors' report, Annual Accounts and its Annual Return for each Academy Financial Year in accordance with the Statement of Recommended Practice as issued by the Charity Commission and updated from time to time as if the Company was a non-exempt Charity and/or in such form or manner and by such date as the Secretary of State may reasonably direct and shall file these with the Secretary of State and the Principal Regulator each Academy Financial Year;
- d) a statement of the accounting policies used should be sent to the Secretary of State with the financial statements and should carry an audit report stating that, in the opinion of the auditors, the statements show a true and fair view of the Company's affairs and that the grants were used for the purposes intended;
- e) the Company shall ensure that its accounts are audited annually by independent auditors appointed under arrangements approved by the Secretary of State;

- f) the Company prepares and files with the Companies Registry such annual accounts as are required by the Companies Act 2006;
- g) the Company shall publish on its website its Annual Accounts, Annual Report, Memorandum, Articles, Funding Agreement and a list of the names of the Directors of the Company; and
- h) the Company insures or procures insurance by another person of its assets in accordance with normal commercial practice or under the terms of any subsisting leases in respect of the leasehold interest of the site upon which each Academy is situated.

70) In addition, and at his expense, the Secretary of State may instruct auditors to report to him on the adequacy and effectiveness of the accounting systems and internal controls maintained by the Company to standards determined by the Secretary of State and to make recommendations for improving the financial management of the Company.

71) The books of accounts and all relevant records, files and reports of the Company including those relating to financial controls, shall be open at all reasonable times to officials of the DfE and the National Audit Office and to contractors retained by the DfE or the National Audit Office for inspection or the carrying out of value for money studies; and the Company shall secure that those officials and contractors are given reasonable assistance with their enquiries. For the purposes of this clause 'relevant' means in any way relevant to the provision and use of grants provided by the Secretary of State under this Agreement.

72) The Company shall submit information in relation to the finances of each Academy to the Secretary of State in accordance with the requirements of the Academies Financial Handbook as amended from time to time, or as otherwise specified from time to time by the Secretary of State.

73) At the beginning of any Academy Financial Year the Company may hold unspent GAG for any Academy from previous Academy Financial Years amounting to such percentage (if any) as for the time being specified in the August 2013 hybrid MFA v2

Academies Financial Handbook or otherwise as the Secretary of State may specify by notice in writing to the Company prior to the beginning of that Academy Financial Year of the total GAG payable for the Academy in the Academy Financial Year just ended or such higher amount as may from time to time be agreed. The Company shall use such carried forward amount for such purpose, or subject to such restriction on its use, as for the time being specified in the Academies Financial Handbook or otherwise as the Secretary of State may specify by notice in writing to the Company.

74) Notwithstanding clause 73 any additional grant provided over and above that:

a) (i) set out in clauses 43-49 in relation to **Mainstream Free Schools** and made in accordance with clause 50 of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant **Mainstream Free School**; and

a) (ii) set out in clauses 43 and 49A-49E in relation to **Traditional Mainstream Academies** or made in accordance with clauses 49F, 49G and 50 for the relevant **Traditional Mainstream Academy**;

may be carried forward without limitation or deduction until the Start-up Period (as this period is defined in the Supplemental Agreement for the relevant **Mainstream Academy**) or the circumstances set out in clause 50 of this Agreement come to an end;

b) (i) set out in clauses 53 and 54A-54E in relation to **Special Free Schools** and made in accordance with clause 54G of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant **Special Free School**; and

b) (ii) set out in clauses 53, 53A and 54 in relation to **Traditional Special Academies** and made in accordance with clauses 54F and 54G for the relevant **Traditional Special Academy**

may be carried forward without limitation or deduction until the Start-up Period (as such period is defined in the Supplemental Agreement for the relevant **Special Academy**) or the circumstances set out in clause 54G come to an end.



- c) set out in clauses 54K -54M in relation to all **alternative provision Academies** and made in accordance with clause 54N of this Agreement and clause 4A.2 of the Supplemental Agreement for the relevant **alternative provision Academy** may be carried forward without limitation or deduction until the Start-up Period (as such period is defined in the Supplemental Agreement for the relevant alternative provision **Academy**) or the circumstances set out in clause 54N come to an end.
- d) set out in clauses 54R-54V in relation to all **16-19 Free Schools** and made in accordance with clause 54W may be carried forward without limitation or deduction until the Start-up Period or the circumstances set out in clause 54W come to an end.

75) Any unspent GAG not allowed to be carried forward under clauses 73-74 may be taken into account in the payment of subsequent grant.

75A) GAG paid by the Secretary of State shall only be used by the Company for the educational charitable purpose of advancing for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies offering a broad and balanced curriculum. Such funds shall not be used by the Company for any other charitable purpose without the prior written consent of the Secretary of State, except where the use of such funds for that charitable purpose is merely incidental to their use for the educational charitable purpose of advancing for the public benefit education in the United Kingdom.

76) The Company may also spend or accumulate funds from private sources or public sources other than grants from the Secretary of State for application to the benefit of an Academy as it sees fit. Any surplus arising from private sources or public sources other than grants from the Secretary of State shall be separately identified in the Company's balance sheet.

77) The Company shall not, in relation to assets or property funded (whether in whole or in part) by the Secretary of State, without the prior written consent of the Secretary of State which shall not be unreasonably withheld or delayed:

- a) except such as are given in normal contractual relations, give any guarantees, indemnities or letters of comfort above a value as for the time being specified in the Academies Financial Handbook or otherwise as the Secretary of State may specify by notice in writing to the Company from time to time;
- b) write off any debts or liabilities owed to it, nor offer to make any ex gratia payments (such as staff severance or compensation payments), above a value as for the time being specified in the Academies Financial Handbook or otherwise as the Secretary of State may specify by notice in writing to the Company from time to time;
- c) except as may be permitted in the Academies Financial Handbook or otherwise as the Secretary of State may specify by notice in writing to the Company, make any sale or purchase of or otherwise dispose of freehold or leasehold property; or
- d) take up any leasehold or tenancy agreement for a term exceeding three years.

78) The Company shall provide 30 days' written notice to the Secretary of State, whether or not the circumstances require the Secretary of State's consent, of its intention to:

- a) give any guarantees, indemnities or letters of comfort;
- b) write off any debts owed to it or offer to make any ex gratia payments;
- c) make any sale or purchase of or otherwise dispose of freehold or leasehold property; or



d) take up any leasehold or tenancy agreement for a term exceeding three years.

79) Each discovered loss of an amount exceeding the amount for the time being specified by the Secretary of State and arising from suspected theft or fraud, shall be reported by the Company to the Secretary of State at the earliest opportunity.

80) It is the responsibility of the Company to ensure that each Academy balances its budget from Academy Financial Year to Academy Financial Year. For the avoidance of doubt, this does not prevent the Company from:

- a) subject to clause 73, carrying a surplus from one Academy Financial Year to the next; or
- b) carrying forward from a previous Academy Financial Year or Academy Financial Years a sufficient surplus or sufficient cumulative surpluses on grants from the Secretary of State to meet an in-year deficit on such grants in a subsequent financial year; or
- c) incurring an in-year deficit on funds from sources other than grants from the Secretary of State in any Academy Financial Year, provided it does not affect the Company's responsibility to ensure that the Company balances its overall budget from Academy Financial Year to Academy Financial Year.

80A) The Company shall abide by the requirements of and have regard to the Charity Commission's guidance to charities and charity trustees and in particular the Charity Commission's guidance in Protecting Charities from Harm ('the compliance toolkit') and in CC9: Speaking Out, Guidance on Campaigning and Political Activity by Charities, as amended from time to time. Any references in this document which require charity trustees to report to the Charity Commission should instead be interpreted as references to report to the Principal Regulator.

## **Borrowing Powers**

81) Except as may be permitted by the Academies Financial Handbook (and amended from time to time) or otherwise as the Secretary of State may specify by notice in writing to the Company, the Company shall not borrow against or so as to put at risk property or assets funded (whether in whole or in part) by the Secretary of State without specific approval of the Secretary of State, such approval may only be granted in limited circumstances. The Company shall not operate an overdraft except to cover irregularities in cash flow. Such an overdraft, and the maximum amount to be borrowed, shall require approval by the Company in General Meeting and in writing by the Secretary of State, and shall be subject to any conditions which the Secretary of State may reasonably impose.

82) The Company shall provide 30 days' written notice to the Secretary of State of its intention to borrow, whether or not such borrowing requires the Secretary of State's approval under clause 81 above.

## **Disposal of Assets**

83) Where the Company acquires assets for a nil consideration or at an under value it shall be treated for the purpose of this Agreement as having incurred expenditure equal to the market value of those assets at the time that they were acquired. This provision shall not apply to assets transferred to the Company at nil or nominal consideration and which were previously used for the purposes of an Academy and/or were transferred from an LA, the value of which assets shall be disregarded.

84) The sale or disposal by other means, or reinvestment of proceeds from the disposal, of a capital asset by the Company shall require the consent of the Secretary of State, such consent not to be unreasonably withheld or delayed, where:

- a) the Secretary of State paid capital grant in excess of the value for the time being specified by the Secretary of State for the asset; or

b) the asset was transferred to the Company from an LA for no or nominal consideration.

85) Furthermore, reinvestment of a percentage of the proceeds of disposal of a capital asset paid for with a capital grant from the Secretary of State shall require the Secretary of State's consent in the circumstances set out above and reinvestment exceeding the value for the time being specified by the Secretary of State or with other special features will be subject to Parliamentary approval. The percentage of the proceeds for which consent is needed is the percentage of the initial price of the asset which was paid by capital grant from the Secretary of State.

86) This clause applies in the event, during the lifetime of this Agreement, of the disposal of a capital asset for which capital grant of any amount was paid by the Secretary of State, where the asset was acquired by the Company. In this event, the Company shall repay to the Secretary of State the same proportion of the proceeds of the disposal as equates with the proportion of the original cost met by the Secretary of State, unless the Secretary of State agrees to some or all of the proceeds being retained by the Company for its charitable purposes.

87) This clause applies in the event, during the lifetime of this Agreement, that the Secretary of State consents to the disposal of an asset which was transferred to the Company from an LA for no or nominal consideration. In this event the Secretary of State may give consent on the basis that all or part of the proceeds of the disposal should be made over to the LA from which the asset was transferred, taking into account the amount of the proceeds to be reinvested by the Company. The Secretary of State will have regard to any representations from the Company and the LA from which the asset was transferred before giving consent under this clause.

88) Except with the consent of the Secretary of State, the Company shall not dispose of assets funded (whether in whole or in part) by the Secretary of State for a consideration less than the best price that can reasonably be obtained, such consent not to be unreasonably withheld or delayed.

89) The Company shall provide 30 days' written notice to the Secretary of State of its intention to dispose of assets for a consideration less than the best price that can reasonably be obtained, whether or not such disposal requires the Secretary of State's consent under clause 88 above.

## **TERMINATION**

### **General**

90) This Agreement shall commence on the date hereof and continue until terminated in accordance with clauses 91, 93A and 94 in the case of **Traditional Mainstream Academies, Traditional Special Academies and Traditional Alternative Provision Academies**, or in accordance with clauses 91, 93, 93A or 94 in the case of **Mainstream Free Schools, Special Free Schools, Alternative Provision Free Schools and 16-19 Free Schools** or otherwise until all Supplemental Agreements have terminated.

91) The Secretary of State may at any time by notice in writing terminate this Agreement and each of the Supplemental Agreements such termination to take effect on the date of the notice, on the occurrence, or where in his reasonable opinion there is a serious risk of occurrence, of any of the following events:-

- a) the Company calls a meeting of its creditors (whether formal or informal) or enters into any composition or arrangement (whether formal or informal) with its creditors; or
- b) the Company proposes a voluntary arrangement within Section 1 of the Insolvency Act 1986 (as amended); or
- c) the Company is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 provided that, for the purposes of this Clause, Section 123 (1)(a) of the Insolvency Act 1986 shall have effect as if the amount of £10,000 was substituted for £750. The Company shall not be deemed unable to pay its debts for the purposes of this clause if any such demand as is mentioned in the said Section is being contested in good faith by the Company; or

d) the Company has a receiver and manager (with the exception of Receivers and Managers or Interim Managers appointed by the Charity Commission under the Charities Act 2011 or any subsequent re-enactment of that Act), administrator or administrative receiver appointed over all or any part of its undertakings, assets or income; or

e) any distraint, execution or other process is levied or enforced on any of the Company's property and is not paid out, withdrawn or discharged within fifteen Business Days; or

f) the Company has passed a resolution for its winding up; or

g) an order is made for the winding up or administration of the Company.

92) The Company shall notify the Secretary of State as soon as possible after receiving any petition which may result in an order for the winding up or administration of the Company and shall provide an explanation to the Secretary of State of the circumstances giving rise to the service of such a petition.

93) NOT USED

#### **Change of Control of the Company**

93A) The Secretary of State may at any time, subject to clause 93C) below, terminate this Agreement by notice in writing to the Company such termination to take effect on the date of the notice in the event that there is a change:

(a) in the Control of the Company;

(b) in the Control of a legal entity that Controls the Company.

Provided that where a person ('P') is a member or director of the body corporate (as a corporation sole or otherwise) by virtue of an office, no change of Control arises merely by P's successor becoming a member or director in P's place.

93B) The Company shall notify the Secretary of State in writing of any change or

proposed change of Control within the meaning of clause 93A) above, as soon as reasonably practicable after it has become aware of any such change, or proposed change, of Control.

93C) When notifying the Secretary of State further to clause 93B), the Company may seek the Secretary of State's agreement that, if he is satisfied that the person assuming Control is suitable, he will not in those circumstances exercise his right to terminate this Agreement further to clause 93A).

### **Suitability**

94) If

- a) Any trustee or member of the Academy Trust refuses to consent to any checks required under this Agreement, or as otherwise requested by the Secretary of State; or
- b) The Secretary of State determines that any trustee or member of the Academy Trust is unsuitable,

the Secretary of State may:

- i. direct the Academy Trust to ensure that the trustee or member resigns or is removed within 42 days, failing which the Secretary of State may serve a Termination Notice; or
- ii. serve a Termination Notice.

94A) For the purposes of clause 94) a trustee or member of the Academy Trust will be "unsuitable" if that trustee or member:

- a) has been convicted of an offence;
- b) has been given a caution in respect of an offence;
- c) is subject to a relevant finding in respect of an offence; or
- d) has engaged in relevant conduct,

as a result of which, the Secretary of State considers that that trustee or member is unsuitable to take part in the management of the Academy.

94B) For the purposes of clause 94A):

- a) a trustee or member of the Academy Trust will be subject to a "relevant finding" in respect of an offence if:
  - i) that trustee or member has been found not guilty of the offence by reason of insanity;
  - ii) that trustee or member has been found to be under a disability and to have done the act charged against them in respect of the offence; or
  - iii) a court outside the United Kingdom has made a finding equivalent to that described in paragraphs (i) and (ii) above.
- b) "relevant conduct" is conduct by a trustee or member of the Academy Trust which is:
  - i) aimed at undermining the fundamental British values of democracy, the rule of law, individual liberty and mutual respect and tolerance of those with different faiths and beliefs; or
  - ii) found to be in breach of professional standards by a professional body; or
  - iii) so inappropriate that, in the opinion of the Secretary of State, it makes that trustee or member unsuitable to take part in the management of the Academy.

## GENERAL

### Information

95) Without prejudice to any other provision of this Agreement, the Secretary of State acting reasonably may from time to time call for information on any **Mainstream Academy** or **Special Academy** relating to, but not restricted to, the following matters:

- a) curriculum;
- b) arrangements for the assessment of pupils;
- c) teaching staff including numbers, qualifications, experience, salaries, and teaching loads;
- d) class sizes;
- e) outreach work with other schools and the local community;
- f) operation of the admission criteria and over subscription arrangements for the Academy including numbers of applications for places and the number and characteristics of pupils accepted for admission – for Mainstream Academies only;
- g) numbers of pupils excluded (including permanent and fixed term exclusions);
- h) levels of authorised and unauthorised absence;
- i) charging and remissions policies and the operation of those policies;
- j) organisation, operation and building management;
- k) financial controls;
- l) compliance with the requirements of the Charity Commission's guidance to charities and charity trustees and in particular the Charity Commission's guidance in the Protecting Charities from Harm ('the compliance toolkit') and in CC9: Guidance on Speaking Out, Campaigning and Political Activity by Charities, as amended from time to time; and
- m) membership and proceedings of the Company and the Local Governing Body together with any other relevant information concerning the management or governance of the Academy which, subject to clause 99), is reasonably necessary for the Secretary of State to carry out his functions



generally and in relation to this Agreement or the relevant Supplemental Agreement.

95A) Without prejudice to any other provision of this Agreement, the Secretary of State acting reasonably may from time to time call for information on any **Alternative Provision Academy** relating to, but not restricted to, the following matters:

- a) curriculum and the provision generally (including specifically for SEN pupils);
- b) arrangements for the assessment of pupils and any information about pupil progress, achievement and attainment;
- c) staff including numbers, qualifications, experience, salaries, and teaching loads;
- d) class sizes and pupil organisation;
- e) outreach work with other schools and the local community;
- f) operation of the referral and reintegration processes for the **Alternative Provision Academy** including numbers of requested referrals, the number of referrals that have been refused and the reasons for the refusal in each case and the number and characteristics of pupils accepted for admission and destinations/outcomes of pupils/former pupils;
- g) numbers of pupils excluded (including permanent and fixed term exclusions), characteristics of pupils excluded, reasons for exclusions, outcomes of any independent review panels;
- h) levels of authorised and unauthorised absence;
- i) charging and remissions policies and the operation of those policies;
- j) organisation, operation and building management;
- k) financial controls;
- l) compliance with the requirements of the Charity Commission's guidance to charities and charity trustees and in particular the Charity Commission's guidance in the Protecting Charities from Harm ('the compliance toolkit') and in (CC9): "Speaking Out: Guidance on Campaigning and Political Activities by Charities", as amended from time to time; and
- m) membership and proceedings of the Company and Local Governing Body

together with any other relevant information concerning the management or governance of the Academy which, subject to clause 99), is reasonably necessary for the Secretary of State to carry out his functions generally and in relation to this Agreement or the relevant Supplemental Agreement.

95B) Without prejudice to any other provision of this Agreement, the Secretary of State acting reasonably may from time to time call for information on any **16 to 19 Free School** relating to, but not restricted to, the following matters:

- a) curriculum;
- b) arrangements for the assessment of students;
- c) teaching staff including numbers, qualifications, experience, salaries, and teaching loads;
- d) class sizes;
- e) outreach work with other educational institutions and the local community;
- f) operation of the admission criteria and over subscription arrangements for the Academy including numbers of applications for places and the number and characteristics of students accepted for admission;
- g) numbers of students excluded (including permanent and fixed term exclusions);
- h) levels of authorised and unauthorised absence;
- i) charging and remissions policies and the operation of those policies;
- j) organisation, operation and building management;
- k) financial controls;
- l) compliance with the requirements of the Charity Commission's guidance to charities and charity trustees and in particular the Charity Commission's

guidance in the Protecting Charities from Harm ('the compliance toolkit') as amended from time to time;

m) membership and proceedings of the Governing Body together with any other relevant information concerning the management or governance of the Academy which, subject to clause 99), is reasonably necessary for the Secretary of State to carry out his functions generally and in relation to this Agreement.

95C) The Company shall provide the Secretary of State with information of all donations it, its Academies and pupils acting in an Academy's name, have made during an Academic Financial Year at the end of that year, including the names of the recipient organisations and the size of the donations.

95D) The Company shall provide the Secretary of State with a list of all guest speakers invited to each of its Academies during an Academy Financial Year at the end of that year

96) The Company shall make such information available to the Secretary of State, in such form and manner and at such times as may reasonably be required. The Secretary of State shall provide the Company with such information as it may reasonably require of him for the running of an Academy.

96A)

(i) The Company shall provide to the Secretary of State the name of any new or replacement Member or Director of the Company, whether such a person has been appointed or elected, together with the date of such an appointment or election and, where applicable, the name of the Member or Director such a person replaces as soon as is practicable and in any event within 14 days of the appointment or election of such a person.

(ii) In this regard, the Company shall not appoint any new or replacement Members or Directors of the Company until it has first (a) notified such persons that their name shall be shared with the Secretary of State and (b)

explained to the new or replacement Members or Directors of the Company that the reason their name is being shared with the Secretary of State is to enable the Secretary of State to assess their suitability

96B) In relation to **16 to 19 Free Schools**, the Company agrees to comply with the "Specification of the Individualised Learner Record for 2012/13" published by Information Authority as may be amended or replaced from time to time.

#### **Access by the Secretary of State's Officers**

97) The Company shall allow access to the premises of any Academy at any reasonable time to DfE officials. All records, files and reports relating to the running of the Company and each Academy shall be available to them at any reasonable time. The Company shall provide the Secretary of State in advance with papers relating to each Academy prepared for meetings of the Local Governing Body, of the Company's directors and of the members of the Company. Two DfE officials shall be entitled to attend and to speak at all such meetings, but shall withdraw from any discussion of an Academy's or the Company's relationship with the Secretary of State or any discussion of bids for funding to the Secretary of State. The Company shall take any steps which are required to secure its compliance with the obligations imposed by this clause of this Agreement.

98) The Company shall ensure that:

- a) the agenda for every meeting of the relevant Local Governing Body and the Company's directors;
- b) the draft minutes of every such meeting, if they have been approved by the person acting as chairman of that meeting;
- c) the signed minutes of every such meeting; and
- d) any report, document or other paper considered at any such meeting,

are made available for inspection by any interested party at the relevant Academy and, as soon as is reasonably practicable, sent to the Secretary of State upon request.

99) There may be excluded from any item required to be made available for inspection by any interested party and to be sent to the Secretary of State by virtue of clause 98, any material relating to:

- a) a named teacher or other person employed, or proposed to be employed, at any Academy;
- b) a named pupil or student at, or candidate for admission to, any Academy; and
- c) any matter which, by reason of its nature, the Company is satisfied should remain confidential.

#### Notices

100) A notice or communication given to a party under or in connection with this Agreement:

- (a) shall be in writing and in English;
- (b) shall be sent to the party for the attention of the contact and at the address listed in clause 100A);
- (c) shall be sent by a method listed in clause 100C); and
- (d) is deemed received as set out in clause 100C) if prepared and sent in accordance with this clause.

100A) The parties' addresses and contacts are:

Name of Party	Position of Contact	Address

Secretary of State	Head of Academies Division	Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT
The Company	Chairman of Directors/Trustees	Tauheedul Education Trust, 31 Bicknell Street, Blackburn BB1 7EY

100B) A party may change its details given in the table in clause 100A) by giving notice, the change taking effect for the party notified of the change at 9.00 am on the date five Business Days after deemed receipt of the notice.

100C) Any notice or other communication required to be given to a party under or in connection with this Agreement shall be delivered by hand or sent by pre-paid first-class post or other next working day delivery service. Any notice or communication shall be deemed to have been received if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the address specified in Clause 100A), or otherwise at 9.00 am on the second Business Day after posting.

100D) This clause does not apply to the service of any proceedings or other documents in any legal action. For the purposes of clause 100), "writing" shall not include e-mail.

101) The service by the Secretary of State of a notice of termination of a Supplemental Agreement shall not prejudice the ability of the Company (if it wishes to do so) during the notice period to admit pupils or students to the relevant Academy in accordance with the provisions of this Agreement and the relevant Supplemental Agreement and to receive GAG and EAG in respect of them.

### **Complaints about Traditional Mainstream Academies, Traditional Special Academies and Traditional Alternative Provision Academies**

102) If at the time of the opening of any **Traditional Mainstream Academy** or any **Traditional Special Academy** the investigation of a complaint made to the governing body of the school that **Traditional Mainstream Academy** or any

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**Traditional Special Academy** replaced (as referred to in clause 2.4 for **Traditional Mainstream Academies** and clause 3.1 for **Traditional Special Academies** of the relevant Supplemental Agreement) has not yet been completed, the Company shall continue to investigate that complaint in accordance with the complaints procedures established by that governing body.

102A) If a complaint is made to the Company about matters arising in whole or in part during the 12 months prior to the opening of any **Traditional Mainstream Academy** or any **Traditional Special Academy** (as referred to in clause 2.4 for **Traditional Mainstream Academies** and clause 3.1 for **Traditional Special Academies** of the relevant supplemental agreement) the Company agrees to investigate that complaint as if the matter complained of had taken place after the opening of that **Traditional Mainstream Academy** or any **Traditional Special Academy**.

102AA) If a complaint is made about matters arising in whole or in part during the 12 months prior to the opening of any **Traditional Alternative Provision Academy**, the Company agrees to investigate that complaint as if the matter complained of had taken place after the opening of that **Traditional Alternative Provision Academy**.

102B) With regards to a **Traditional Mainstream Academy** or a **Traditional Special Academy**, if the Secretary of State could have given an order and/or a direction under section 496 and/or section 497 of the Education Act 1996 to the governing body of the school the Academy replaced (as referred to in clause 2.4 for **Traditional Mainstream Academies** and clause 3.1 for **Traditional Special Academies** of the relevant Supplemental Agreement) and that order and/or direction related to matters occurring within the 12 months immediately prior to conversion, the Company agrees:

- a) the Secretary of State may give orders and/or directions to the Company as though the Academy were a maintained school and sections 496 and 497 applied to the governing body of that maintained school;



- b) to act in accordance with any such order and/or direction from the Secretary of State.

102C) With regards to a **Traditional Alternative Provision Academy** if the Secretary of State could have given an order and/or a direction under section 496 and/or section 497 of the Education Act 1996<sup>15</sup> to the management committee of any Pupil Referral Unit the **Traditional Alternative Provision Academy** replaced (as referred to in clause 3.1 of the relevant Supplemental Agreement) and that order and/or direction related to matters occurring within the 12 months immediately prior to conversion, the Company agrees:

- a) the Secretary of State may give orders and/or directions to the Company as though the **Traditional Alternative Provision Academy** were a Pupil Referral Unit and sections 496 and 497 applied to the management committee of that Pupil Referral Unit;
- b) to act in accordance with any such order and/or direction from the Secretary of State.

## **General**

103) This Agreement shall not be assignable by the Company.

103A) No delay, neglect or forbearance on the part of the Secretary of State in enforcing (in whole or in part) any provision of this Agreement or in exercising (in whole or in part) any right or remedy conferred on him by this Agreement shall be or be deemed to be a waiver of such provision or right or remedy or a waiver of any other provision or right or remedy or shall in any way prejudice any right or remedy of the Secretary of State under this Agreement or shall amount to an election not to enforce such provision or exercise such right or remedy (including, for the avoidance of doubt, any right to terminate this Agreement). No single or partial exercise of such right or remedy shall preclude or restrict the further

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<sup>15</sup> Section 496/7 of the Education Act 1996 applies to Pupil Referral Units by virtue of the Education (PRU)(Application of Enactments)(England) Regulations 2007  
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exercise of that or any other right or remedy.

104) The Secretary of State and the Company recognise the difficulties in catering in this Agreement and the Supplemental Agreements for all the circumstances which may arise in relation to the Academies and undertake in good faith to conduct such consultations as may from time to time be desirable in order to promote the interests of the Academies throughout the currency of this Agreement.

105) Termination of this Agreement, for any reason, shall not affect the accrued rights, remedies, obligations or liabilities of the parties existing at termination.

106) This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

107) This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

108) The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

This Agreement was executed as a Deed on

2014

Executed on behalf of **Tauheedul Education Trust** by:

.....  
Director

In the presence of

Witness.....

Address.....

Occupation.....

The Corporate Seal of the Secretary of State for Education, hereunto affixed is authenticated by:

.....

**Duly Authorised**

**2014**

**THE COMPANIES ACT 2006**

**A COMPANY LIMITED BY GUARANTEE**

**ARTICLES OF ASSOCIATION**

**OF**

**TAUHEEDUL EDUCATION TRUST (TET)**

**COMPANY NUMBER: 07353849**

**THE COMPANIES ACT 2006**  
**COMPANY LIMITED BY GUARANTEE**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**TAUHEEDUL EDUCATION TRUST (TET)**

**INTERPRETATION**

1. In these Articles:-

- (a) "the Academies" means all the schools referred to in Article 4 and established by the Company (and "Academy" shall mean any one of those schools);
- (b) "Academy Financial Year" means the academic year from 1<sup>st</sup> of September to 31<sup>st</sup> of August of the following year;
- (c) "the Articles" means these Articles of Association of the Company;
- (d) "Chief Executive Officer" means such person as may be appointed by the Directors as the Chief Executive Officer of the Company;
- (e) "Chief Inspector" means Her Majesty's Chief Inspector of Education, Children's Services and Skills or his successor;
- (f) "clear days" in relation to the period of a notice means the period excluding the day when the notice is given or deemed to be given and the day on which it is given or on which it is to take effect;
- (g) "Clerk" means the clerk to the Directors or any other person appointed to perform the duties of the clerk to the Directors, including a joint, assistant or deputy clerk;
- (h) "the Company" means, save as otherwise defined at Article 6.9, the company intended to be regulated by these Articles and referred to in Article 2;

- (i) “the Directors” means, save as otherwise defined at Article 6.9, the directors of the Company (and “Director” means any one of those directors);
- (j) “Financial Expert” means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000;
- (k) “the LAs” means all the local authorities covering the areas in which the Academies are situated (and “the LA” shall mean any one of these local authorities);
- (l) “Local Authority Associated Persons” means any person associated with any local authority within the meaning given in section 69 of the Local Government and Housing Act 1989;
- (m) “Local Governing Bodies” means the committees appointed pursuant to Articles 100-102 and 104 (and “Local Governing Body” means any one of these committees);
- (n) “Member” means a member of the Company and someone who as such is bound by the undertaking contained in Article 8;
- (o) “the Memorandum” means the Memorandum of Association of the Company;
- (p) “Office” means the registered office of the Company;
- (q) “Parent Directors” means the Directors elected or appointed pursuant to Articles 53 – 56 inclusive;
- (r) “Principals” means the head teachers of the Academies (and “Principal” means any one of these head teachers);
- (s) “Principal Regulator” means the body or person appointed as the Principal Regulator under the Charities Act 2011;
- (t) “Relevant Funding Agreements” means the agreement or agreements entered into by the Company and the Secretary of State under section 1

of the Academies Act 2010 for the establishment of each Academy, including any variation or supplemental agreements thereof;

- (u) "Scheme of Delegation" means an instrument by the Directors delegating such powers and responsibilities of the Directors as may be appropriate for them to delegate to the Local Governing Bodies consistently with the Objects;
- (v) "the seal" means the common seal of the Company if it has one;
- (w) "Secretary of State" means the Secretary of State for Education or successor;
- (x) "Staff Director" means an employee of the Company who may be appointed as a Director pursuant to Article 50A, 50B;
- (y) "Teacher" means a person employed under a contract of employment or a contract for services or otherwise engaged to provide his services as a teacher at one or more Academies;
- (z) "the Trust" means the Tauheedul Group, a company limited by guarantee with company number 07496744
- (aa) "Trustees" means those trustees holding the schools' sites and providing them to the Academy Trust for use and occupation by the Academies;
- (bb) "the United Kingdom" means Great Britain and Northern Ireland;
- (cc) "the Values" means:
  - a. Faith in action – enriching and changing the lives of individuals young and old and of communities by promoting equity, nobility, compassion and responsibility;
  - b. Integrity – a sincere, whole-hearted and determined commitment to the whole community;
  - c. Excellence – creating an environment of aspiration and hope through a commitment to fulfilling the unique potential of individuals and the shared potential of communities;

- d. Unity (Britishness) – bringing Muslims together and being a bridge between Muslims and other communities, including other faith and non-faith communities;
  - e. Citizenship (Big Society) – building a good and inclusive society in which people participate and to which they offer their time and talents;
  - f. Innovation – balancing tradition and modernity in a contemporary technological environment to achieve transformation and find the next generation of inventors, creators and thinkers;
  - g. Leadership – building models for servant leadership and shared leadership in communities and in the public sector consistent with these Values and developing leaders as role models and coaches.
- (dd) words importing the masculine gender only shall include the feminine gender. Words importing the singular number shall include the plural number, and vice versa;
- (ee) subject as aforesaid, words or expressions contained in these Articles shall, unless the context requires otherwise, bear the same meaning as in the Companies Act 2006, as appropriate;
- (ff) any reference to a statute or statutory provision or measure shall include any statute or statutory provision or measure which replaces or supersedes such statute or statutory provision or measure including any modification or amendment thereto.
2. The Company's name is Tauheedul Education Trust (and in this document it is called "**the Company**").
3. The Company's registered office is to be situated in England and Wales.

## **OBJECTS<sup>16</sup>**

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<sup>16</sup> If a second "community use" object is required the Project Lead can provide the August 2013 hybrid MFA v2

4. The Company's object ("**the Object**") is specifically restricted to the following:

to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

- (i) Islamic schools designated as such which shall be conducted in accordance with the principles, practices and tenets of Islam both generally and in particular in relation to arranging for religious education and daily acts of worship as required by each school's Funding Agreement; and
- (ii) other Academies whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos, whether arising out of religious designation or otherwise..

5. In furtherance of the Object but not further or otherwise the Company may exercise the following powers:

- (a) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to operate bank accounts in the name of the Company;
- (b) to raise funds and to invite and receive contributions provided that in raising funds the Company shall not undertake any substantial permanent trading activities and shall conform to any relevant statutory regulations;
- (c) (subject to such further consents as may be required by law or as may

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wording which stresses its ancillary nature. The existing Article 4 must be preserved as 4(a) and the second added as 4(b). Under no circumstances may 4(a) be removed.



be required from the Trustees as landlords/licensors where this is the case) to acquire, alter, improve and charge or otherwise dispose of property;

- (d) subject to Article 6 below to employ such staff, as are necessary for the proper pursuit of the Object (including the maintenance of an effective Islamic ethos in relation to Academies falling within Article 4(i) <sup>17</sup>) and to make all reasonable and necessary provision for the payments of pensions and superannuation to staff and their dependants;
- (e) to establish or support, whether financially or otherwise, any charitable trusts, associations or institutions formed for all or any of the Object;
- (f) to co-operate with other charities, other independent schools, schools maintained by a local authority, 16-19 Academies, alternative provision Academies, institutions within the further education sector, voluntary bodies and statutory authorities operating in furtherance of the Object and to exchange information and advice with them;
- (g) to pay out of funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company;
- (h) to establish, maintain, carry on, manage and develop the Academies at locations to be determined by the Directors;
- (i) to offer scholarships, exhibitions, prizes and awards to pupils and former pupils, and otherwise to encourage and assist pupils and former pupils;
- (j) to provide educational facilities and services to students of all ages and the wider community for the public benefit;
- (k) to carry out research into the development and application of new techniques in education and to their approach to curriculum development

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<sup>17</sup> Where the "community use" Object 4(b) has been added amend this to read "Article 4(a)(i)".

and delivery and to publish the results of such research, and to develop means of benefiting from application of the experience of industry, commerce, other schools and the voluntary sector to the education of pupils in academies;

- (l) subject to such consents as may be required from the Trustees or otherwise required by law and/or by any contract entered into by or on behalf of the Company, to borrow and raise money for the furtherance of the Object in such manner and on such security as the Company may think fit;
- (m) to deposit or invest any funds of the Company not immediately required for the furtherance of its object (but to invest only after obtaining such advice from a financial expert as the Directors consider necessary and having regard to the suitability of investments and the need for diversification);
- (n) to delegate the management of investments to a financial expert, but only on terms that:
  - (i) the investment policy is set down in writing for the financial expert by the Directors;
  - (ii) every transaction is reported promptly to the Directors;
  - (iii) the performance of the investments is reviewed regularly with the Directors;
  - (iv) the Directors are entitled to cancel the delegation arrangement at any time;
  - (v) the investment policy and the delegation arrangement are reviewed at least once a year;
  - (vi) all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Directors on receipt; and
  - (vii) the financial expert must not do anything outside the powers of the Directors;

- (o) to arrange for investments or other property of the Company to be held in the name of a nominee company acting under the control of the Directors or of a financial expert acting under their instructions, and to pay any reasonable fee required;
- (p) to provide indemnity insurance to Directors and the members of any Local Governing Body (to the extent necessary) in accordance with, and subject to the conditions of section 232 to 235 of the Companies Act 2006, section 189 of the Charities Act 2011 or any other provision of law applicable to charitable companies and any such indemnity is limited accordingly;
- (q) to establish subsidiary companies to carry on any trade or business for the purpose of raising funds for the Company;
- (r) to do all such other lawful things as are necessary for or are incidental to or conducive to the achievement of the Object and appropriate to the religious character of the Academy.

5A It is intended that the curriculum and ethos of the Academies will place an emphasis on, and include a commitment to students learning about, the Values with the aim of encouraging all students in care and service for individuals and communities, not only while they are students but during the rest of their lives. The Company commits itself, so far as is lawful in the light of the Object, to conduct its affairs in a manner consistent with the Values.

6.1 The income and property of the Company shall be applied solely towards the promotion of the Object.

6.2 None of the income or property of the Company may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the Company. Nonetheless a Member of the Company who is not also a Director may:

- (a) benefit as a beneficiary of the Company;

- (b) be paid reasonable and proper remuneration for any goods or services supplied to the Company;
- (c) be paid rent for premises let by the Member of the Company if the amount of the rent and other terms of the letting are reasonable and proper; and
- (d) be paid interest on money lent to the Company at a reasonable and proper rate, such rate not to exceed 2 per cent per annum below the base lending rate of a UK clearing bank selected by the Directors, or 0.5%, whichever is the higher.

6.3 A Director may benefit from any indemnity insurance purchased at the Company's expense to cover the liability of the Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Company: provided that any such insurance shall not extend to:

- (i) any claim arising from any act or omission which Directors knew to be a breach of trust or breach of duty or which was committed by the Directors in reckless disregard to whether it was a breach of trust or breach of duty or not; and,
- (ii) provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as directors of the Company.

Further, this Article does not authorise a Director to benefit from any indemnity insurance that would be rendered void by any provision of the Companies Act 2006, the Charities Act 2011 or any other provision of law.

6.4 A company, which has shares listed on a recognised stock exchange and of which any one Director holds no more than 1% of the issued capital of that company, may receive fees, remuneration or other benefit in money or money's worth from the Company.

6.5 A Director may at the discretion of the Directors be reimbursed from the property of the Company for reasonable expenses properly incurred by him or her when acting on behalf of the Company, but excluding expenses in connection with foreign travel.

6.6 No Director may:

- (a) buy any goods or services from the Company;
- (b) sell goods, services, or any interest in land to the Company;
- (c) be employed by, or receive any remuneration from the Company other than the Chief Executive Officer;
- (d) receive any other financial benefit from the Company unless:
  - (i) the payment is permitted by Article 6.7 and the Directors follow the procedure and observe the conditions set out in Article 6.8; or
  - (ii) the Directors obtain the prior written approval of the Charity Commission and fully comply with any procedures it prescribes.

6.7 Subject to Article 6.8, a Director may:

- (a) receive a benefit from the Company in the capacity of a beneficiary of the Company;
- (b) be employed by the Company or enter into a contract for the supply of goods or services to the Company, other than for acting as a Director;
- (c) receive interest on money lent to the Company at a reasonable and proper rate not exceeding 2% per annum below the base rate of a clearing bank to be selected by the Directors, or 0.5%, whichever is the higher; and

- (d) receive rent for premises let by the Director to the Company if the amount of the rent and the other terms of the lease are reasonable and proper.

6.8 The Company and its Directors may only rely upon the authority provided by Article 6.7 if each of the following conditions is satisfied:

- (a) the remuneration or other sums paid to the Director do not exceed an amount that is reasonable in all the circumstances.
- (b) the Director is absent from the part of any meeting at which there is discussion of:
  - (i) his or her employment, remuneration, or any matter concerning the contract, payment or benefit; or
  - (ii) his or her performance in the employment, or his or her performance of the contract; or
  - (iii) any proposal to enter into any other contract or arrangement with him or her or to confer any benefit upon him or her that would be permitted under Article 6.7; or
  - (iv) any other matter relating to a payment or the conferring of any benefit permitted by Article 6.7,
- (c) the Director does not vote on any such matter and is not to be counted when calculating whether a quorum of Directors is present at the meeting;
- (d) save in relation to employing or contracting with the Chief Executive Officer the other Directors are satisfied that it is in the interests of the Company to employ or to contract with that Director rather than with someone who is not a Director. In reaching that decision the Directors must balance the advantage of employing a Director against the

disadvantages of doing so (especially the loss of the Director's services as a result of dealing with the Director's conflict of interest);

- (e) the reason for their decision is recorded by the Directors in the minute book; and
- (f) a majority of the Directors then in office have received no such payments or benefit.

6.8A The provision in Article 6.6(c) that no Director may be employed by or receive any remuneration from the Company (other than a Staff Director and the Chief Executive Officer) does not apply to an employee of the Company who is subsequently elected or appointed as a Director save that this Article shall only allow such a Director to receive remuneration or benefit from the Company in his capacity as an employee of the Company and provided that the procedure as set out in Articles 6.8(b)(i), (ii) and 6.8 (c) is followed.

6.9 In Articles 6.2 - 6.9:

- (a) "company" shall include any company in which the Company:
  - holds more than 50% of the shares; or
  - controls more than 50% of the voting rights attached to the shares; or
  - has the right to appoint one or more Directors to the Board of the Company;
- (b) "Director" shall include any child, stepchild, parent, grandchild, grandparent, brother, sister or spouse of the Director or any person living with the Director as his or her partner;
- (c) the employment or remuneration of a Director includes the engagement or remuneration of any firm or company in which the Director is:
  - (i) a partner;
  - (ii) an employee;
  - (iii) a consultant;

- (iv) a director;
- (v) a member; or
- (vi) a shareholder, unless the shares of the company are listed on a recognised stock exchange and the Director holds less than 1% of the issued capital.

7. The liability of the members of the Company is limited.
8. Every Member of the Company undertakes to contribute such amount as may be required (not exceeding £10) to the Company's assets if it should be wound up while he or she is a Member or within one year after he or she ceases to be a Member, for payment of the Company's debts and liabilities before he or she ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
9. If the Company is wound up or dissolved and after all its debts and liabilities (including any under section 2 of the Academies Act 2010) have been satisfied there remains any property it shall not be paid to or distributed among the Members of the Company, but shall be given or transferred to some other charity or charities having objects similar to the Object which prohibits the distribution of its or their income and property to an extent at least as great as is imposed on the Company by Article 6 above, chosen by the Members of the Company at or before the time of dissolution and if that cannot be done then to some other charitable object.
10. No alteration or addition shall be made to or in the provisions of the Memorandum and/or Articles without the written consent of the Trust.
11. No alteration or addition shall be made to or in the provisions of the Articles which would have the effect (a) that the Company would cease to be a company to which section 60 of the Companies Act 2006 applies; or (b) that the Company would cease to be a charity.



## **MEMBERS<sup>18</sup>**

12. The Members of the Company shall comprise:

- (a) the Trust
- (b) Up to 3 persons appointed by the Trust;
- (c) A further 2 persons appointed by the Trust who occupy the position of, or have been nominated by a Chair of a Local Governing Body of any school falling within Article 4 (ii), provided that an Academy is operated within Article 4 (ii);
- (d) the chairman of the Directors; and
- (e) any person appointed under Article 16.

13. Each of the persons entitled to appoint Members in Article 12 shall have the right from time to time by written notice delivered to the Office to remove any Member appointed by them and to appoint a replacement Member to fill a vacancy whether resulting from such removal or otherwise.

14. If any of the persons entitled to appoint Members in Article 12:

- (a) in the case of an individual, die or become legally incapacitated;
- (b) in the case of a corporate entity, cease to exist and are not replaced by a successor institution; or
- (c) becomes insolvent or makes any arrangement or composition with their creditors generally,

their right to appoint Members under these Articles shall vest in the remaining Members.

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<sup>18</sup> The DfE's preference is for employees of the Company not to be Members.  
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15. Membership will terminate automatically if:
  - (a) a Member (which is a corporate entity) ceases to exist and is not replaced by a successor institution;
  - (b) a Member (who is an individual) dies or becomes incapable by reason of illness or injury of managing and administering his or her own affairs; or
  - (c) a Member becomes insolvent or makes any arrangement or composition with that Member's creditors generally.
16. The Members may agree by passing a special resolution in writing to appoint such additional Members as they think fit and may agree by passing a special resolution in writing to remove any such additional Members provided that such appointment or removal is in the interests of the Company.
17. Every person nominated to be a Member of the Company shall either sign a written consent to become a Member or sign the register of Members on becoming a Member.
18. Any Member may resign provided that after such resignation the number of Members is not less than three. A Member shall cease to be one immediately on the receipt by the Company of a notice in writing signed by the person or persons entitled to remove him under Articles 13 or 16 provided that no such notice shall take effect when the number of Members is less than three unless it contains or is accompanied by the appointment of a replacement Member.

## **GENERAL MEETINGS**

19. The Company shall hold an Annual General Meeting each year in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Provided that so long as the Company holds its first Annual General Meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be

held at such time and place as the Directors shall appoint. All general meetings other than Annual General Meetings shall be called General Meetings.

20. The Directors may call general meetings and, on the requisition of Members pursuant to the provisions of the Companies Act 2006, shall forthwith proceed to convene a general meeting in accordance with that Act. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any Member of the Company may call a general meeting.

#### **NOTICE OF GENERAL MEETINGS**

21. General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of Members having a right to attend and vote and together representing not less than 90% of the total voting rights at that meeting.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an Annual General Meeting, shall specify the meeting as such. The notice shall also state that the Member is entitled to appoint a proxy.

The notice shall be given to all the Members, to the Directors and auditors.

22. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

23. No business shall be transacted at any meeting unless a quorum is present. A Member counts towards the quorum by being present either in person or by proxy. Two persons entitled to vote upon the business to be transacted, each being a Member or a proxy of a Member or a duly authorised representative of a Member organisation shall constitute a quorum.

24. If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine.
25. If present, the chairman, if any, of the Directors shall preside as chairman of the meeting
26. If the chairman of the Directors is not present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be chairman.
27. A Director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting.
28. The chairman may, with the consent of a majority of the Members at a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
29. A resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Companies Act 2006, a poll may be demanded:
  - (a) by the chairman; or
  - (b) by at least two Members having the right to vote at the meeting; or,
  - (c) by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the

meeting.

30. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
31. The demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the chairman. The withdrawal of a demand for a poll shall not invalidate the result of a show of hands declared before the demand for the poll was made.
32. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be Members) and fix a time, date and place for declaring the results. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
33. A poll demanded on the election of the chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time, date and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent continuance of a meeting for the transaction of any business other than the question on which the poll is demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
34. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In other cases at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

35. A resolution in writing agreed by such number of members as required if it had been proposed at a general meeting shall be as effectual as if it had been passed at a general meeting duly convened and held provided that a copy of the proposed resolution has been sent to every Member. The resolution may consist of several instruments in the like form each agreed by one or more Members.

## **VOTES OF MEMBERS**

36. On the show of hands every Member present in person shall have one vote. On a poll every Member present in person or by proxy shall have one vote.
37. Not used.
38. No Member shall be entitled to vote at any general meeting unless all moneys then payable by him to the Company have been paid.
39. No objections shall be raised to the qualification of any person to vote at any general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
40. An instrument appointing a proxy shall be in writing, signed by or on behalf of the appointer and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve) -

"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 attend, speak and 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.

Signed on ..... 20[ ]"



41. Where it is desired to afford Members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve) -

"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 attend, speak and 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.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting,

Signed on .... 20[ ]"

42. The instrument appointing a proxy and any authority under which it is signed or a copy of such authority certified by a notary or in some other way approved by the Members may:

- (a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or

(b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

(c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Clerk or to any Director,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

43. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote given or the poll demanded or (or in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

44. Any organisation which is a Member of the Company may by resolution of its board of directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the organisation which he represents as that organisation could exercise if it were an individual Member of the Company.

## **DIRECTORS**

45. The number of Directors shall be not less than three, nor more than 12.

46. Subject to Articles 48-49, the Company shall have the following Directors:

(a) Any Directors appointed under Article 50;



- (b) Academy Directors appointed under Article 51 providing the conditions set out in that Article apply;
  - (c) The Chief Executive Officer (if any);
  - (d) Parent Directors if appointed under Articles 53-56 in the event that no provision is made for parent representatives on Local Governing Bodies under Article 101A.
47. The Company may also have any Co-opted Director appointed under Article 58.
48. The first Directors shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.
49. Future Directors shall be appointed or elected, as the case may be, under these Articles. Where it is not possible for such a Director to be appointed or elected due to the fact that an Academy has not yet been established, then the relevant Article or part thereof shall not apply.

## **APPOINTMENT OF DIRECTORS**

50. The Members shall appoint a minimum of 3 Directors.

## **ACADEMY DIRECTORS**

51. Subject to Article 52, the Members shall appoint:
- (i) 2 Directors who shall either be, or be nominated by, a Chair of a Local Governing Body of any school falling within Article 4 (ii);
  - (ii) with Academies established in each of the following regions (the boundaries of which shall be determined by the Members from time to time):
    - a. the North
    - b. the Midlands, and

c. the South

one academy Director from each of the above regions. Any Academy Director appointed under Article 51 (ii) shall either be, or be nominated by, a Chair of the Local Governing Body of an Academy in the region he represents, and shall be appointed in accordance with a procedure determined by the Members from time to time.

52. (i) Article 51(i) shall not apply until the Company operates at least one Academy falling within Article 4(ii).

(ii) A Director appointed under Article 51(ii) may also constitute one or more of the Directors appointed under Article 51(i) if they are, or are nominated by a Chair of a Local Governing Body of a school falling within Article 4(ii).

#### **PARENT DIRECTORS / REPRESENTATIVES**

53. In circumstances where the Directors have not appointed Local Governing Bodies in respect of the Academies as envisaged in Article 101A there shall be a minimum of 2 Parent Directors and otherwise such number as the Members shall decide who shall be appointed or elected in accordance with Articles 54 - 56..

54. Parent members of the Local Governing Bodies shall be elected or appointed by the parents of registered pupils at one or more of the Academies and each must be a parent at the time when he is elected or appointed.

54A. Notwithstanding Article 53, if no parents put themselves forward for election the number of Parent members of the Local Governing Bodies required shall be made up by Parent members appointed by the Directors.

55. The Directors shall make all necessary arrangements for, and determine all other matters relating to, an election of the Parent members of Local Governing Bodies, including any question of whether a person is a parent of a registered pupil at one of the Academies. Any election of the Parent members

of the Local Governing Bodies or Advisory Bodies which is contested shall be held by secret ballot.

56. In appointing a Parent member of a Local Governing Body the Directors shall appoint a person who is the parent of a registered pupil at an Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

#### **CHIEF EXECUTIVE OFFICER**

57. The Chief Executive Officer shall be a Director for as long as he remains in office as such.<sup>19</sup>

#### **CO-OPTED DIRECTORS**

58. The Directors appointed under Article 50 may appoint up to 2 Co-opted Directors for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit. A 'Co-opted Director' means a person who is appointed to be a Director by being Co-opted by Directors who have not themselves been so appointed. The Directors may not co-opt an employee of the Company as a Co-opted Director if thereby the number of Directors who are employees of the Company would exceed one third of the total number of Directors including the Chief Executive Officer.

- 59 - 63. Not used.

#### **TERM OF OFFICE**

64. The term of office for any Director (other than Co-opted Directors under Article 58) shall be four years, save that this time limit shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

#### **RESIGNATION AND REMOVAL**

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<sup>19</sup> Delete if no Chief Executive Officer and state "Not used".  
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65. A Director shall cease to hold office if he resigns his office by notice to the Company (but only if at least three Directors will remain in office when the notice of resignation is to take effect).
66. A Director shall cease to hold office if he is removed by the person or persons who appointed him. This Article does not apply in respect of a Parent Director.
67. Where a Director resigns his office or is removed from office, the Director or, where he is removed from office, those removing him, shall give written notice thereof to the Clerk.

## **DISQUALIFICATION OF DIRECTORS**

68. No person shall be qualified to be a Director unless he is aged 18 or over at the date of his election or appointment. No current pupil or current student of any of the Academies shall be a Director.
69. A Director shall cease to hold office if he becomes incapable by reason of illness or injury of managing or administering his own affairs.
70. A Director shall cease to hold office if he is absent without the permission of the Directors from all their meetings held within a period of six months and the Directors resolve that his office be vacated.
71. A person shall be disqualified from holding or continuing to hold office as a Director if:
- (a) his estate has been sequestered and the sequestration has not been discharged, annulled or reduced; or
  - (b) he is the subject of a bankruptcy restrictions order or an interim order.
72. A person shall be disqualified from holding or continuing to hold office as a Director at any time when he is subject to a disqualification order or a disqualification undertaking under the Company Directors Disqualification Act

1986 or to an order made under section 429(2)(b) of the Insolvency Act 1986 (failure to pay under county court administration order).

73. A Director shall cease to hold office if he ceases to be a Director by virtue of any provision in the Companies Act 2006 or is disqualified from acting as a trustee by virtue of section 178 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision).
74. A person shall be disqualified from holding or continuing to hold office as a Director if he has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commission or the High Court on the grounds of any misconduct or mismanagement in the administration of the charity for which he was responsible or to which he was privy, or which he by his conduct contributed to or facilitated.
75. Not used.
76. Not used.
77. A person shall be disqualified from holding or continuing to hold office as a Director where he has, at any time, been convicted of any criminal offence, excluding any that have been spent under the Rehabilitation of Offenders Act 1974 as amended, and excluding any offence for which the maximum sentence is a fine or a lesser sentence except where a person has been convicted of any offence which falls under section 178 of the Charities Act 2011.
78. After the first Academy has opened, a person shall be disqualified from holding or continuing to hold office as a Director if he has not provided to the chairman of the Directors a criminal records certificate at an enhanced disclosure level under section 113B of the Police Act 1997. In the event that the certificate discloses any information which would in the opinion of either the chairman or the Chief Executive Officer confirm their unsuitability to work with children that person shall be disqualified. If a dispute arises as to whether a person shall be disqualified, a referral shall be made to the Secretary of State

to determine the matter. The determination of the Secretary of State shall be final.

79. Where, by virtue of these Articles a person becomes disqualified from holding, or continuing to hold office as a Director; and he is, or is proposed, to become such a Director, he shall upon becoming so disqualified give written notice of that fact to the Clerk.

80. Articles 68 to 74, Articles 77 to 79 and Articles 97 to 98 also apply to any member of any committee of the Directors, including a Local Governing Body, who is not a Director.

#### **CLERK TO THE DIRECTORS**

81. The Clerk shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Clerk so appointed may be removed by them. The Clerk shall not be a Director, or a Principal. Notwithstanding this Article, the Directors may, where the Clerk fails to attend a meeting of theirs, appoint any one of their number or any other person to act as Clerk for the purposes of that meeting.

#### **CHAIRMAN AND VICE-CHAIRMAN OF THE DIRECTORS**

82. The Directors shall every four years elect a chairman and a vice-chairman from among their number. A Director who is employed by the Company shall not be eligible for election as chairman or vice-chairman.

83. Subject to Article 84, the chairman or vice-chairman shall hold office as such until his successor has been elected in accordance with Article 85.

84. The chairman or vice-chairman may at any time resign his office by giving notice in writing to the Clerk. The chairman or vice-chairman shall cease to hold office if:

- (a) he ceases to be a Director;
- (b) he is employed by the Company;
- (c) he is removed from office in accordance with these Articles; or
- (d) in the case of the vice-chairman, he is elected in accordance with these Articles to fill a vacancy in the office of chairman.

85. Where by reason of any of the matters referred to in Article 84, a vacancy arises in the office of chairman or vice-chairman, the Directors shall at their next meeting elect one of their number to fill that vacancy.

86. Where the chairman is absent from any meeting or there is at the time a vacancy in the office of the chairman, the vice-chairman shall act as the chair for the purposes of the meeting.

87. Where in the circumstances referred to in Article 86 the vice-chairman is also absent from the meeting or there is at the time a vacancy in the office of vice-chairman, the Directors shall elect one of their number to act as a chairman for the purposes of that meeting, provided that the Director elected shall not be a person who is employed by the Company.

88. The Secretary shall act as chairman during that part of any meeting at which the chairman is elected.

89. Any election of the chairman or vice-chairman which is contested shall be held by ballot.

90. The Directors may remove the chairman or vice-chairman from office in accordance with these Articles.

91. A resolution to remove the chairman or vice-chairman from office which is passed at a meeting of the Directors shall not have effect unless-

- (i) it is confirmed by a resolution passed at a second meeting of the Directors held not less than fourteen days after the first meeting; and



- (ii) the matter of the chairman's or vice-chairman's removal from office is specified as an item of business on the agenda for each of those meetings.

92. Before the Directors resolve at the relevant meeting on whether to confirm the resolution to remove the chairman or vice-chairman from office, the Director or Directors proposing his removal shall at that meeting state their reasons for doing so and the chairman or vice-chairman shall be given an opportunity to make a statement in response.

### **POWERS OF DIRECTORS**

93. Subject to provisions of the Companies Act 2006, the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all the powers exercisable by the Directors.
94. In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under the Articles the Directors shall have the following powers, namely:
- (a) to expend the funds of the Company in such manner as they shall consider most beneficial for the achievement of the Object and to invest in the name of the Company such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the Object;
  - (b) to enter into contracts on behalf of the Company.



95. In the exercise of their powers and functions, the Directors may consider any advice given by the Chief Executive Officer and any other executive officer.
96. Any bank account in which any money of the Company is deposited shall be operated by the Directors in the name of the Company. All cheques and orders for the payment of money from such an account shall be signed by at least two signatories authorised by the Directors.

## **CONFLICTS OF INTEREST**

97. Any Director who has or can have any direct or indirect duty or personal interest (including but not limited to any Personal Financial Interest) which conflicts or may conflict with his duties as a Director shall disclose that fact to the Directors as soon as he becomes aware of it. A Director must absent himself from any discussions of the Directors in which it is possible that a conflict will arise between his duty to act solely in the interests of the Company and any duty or personal interest (including but not limited to any Personal Financial Interest).
98. For the purpose of Article 97, a Director has a Personal Financial Interest in the employment or remuneration of, or the provision of any other benefit to, that Director as permitted by and as defined by Articles 6.5 - 6.9.

## **THE MINUTES**

99. The minutes of the proceedings of a meeting of the Directors shall be drawn up and entered into a book kept for the purpose by the person acting as Clerk for the purposes of the meeting; and shall be signed (subject to the approval of the Directors) at the same or next subsequent meeting by the person acting as chairman thereof. The minutes shall include a record of:
  - (a) all appointments of officers made by the Directors; and
  - (b) all proceedings at meetings of the Company and of the Directors and of committees of Directors including the names of the Directors present at

each such meeting.

## **COMMITTEES**

100. Subject to these Articles, the Directors:

- (a) may appoint separate committees to be known as Local Governing Bodies for each Academy; and
- (b) may establish any other committee.

101. Subject to these Articles, the constitution, membership and proceedings of any committee shall be determined by the Directors. The establishment, terms of reference, constitution and membership of any committee of the Directors shall be reviewed at least once in every twelve months. The membership of any committee of the Directors may include persons who are not Directors, provided that (with the exception of the Local Governing Bodies) a majority of members of any such committee shall be Directors. Except in the case of a Local Governing Body, no vote on any matter shall be taken at a meeting of a committee of the Directors unless the majority of members of the committee present are Directors.

101A. The Directors shall ensure that any Local Governing Body shall include at least 2 elected representatives of the parents of pupils attending the relevant Academy.

102. The power of delegation exercised under Article 105 in relation to the establishment of a Local Governing Body for an Academy shall be by way of Scheme of Delegation. The first Scheme of Delegation to be put in place for an Academy following incorporation will follow the Scheme of Delegation attached to these Articles.<sup>20</sup>

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<sup>20</sup> The use of a Scheme of Delegation is optional; delete if not applicable and state "Not used". Where there is to be a Scheme of Delegation its drafting will need to be given careful thought, as to issues such as authority to bind the Company, conduct

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103. Not used.

104. The functions and proceedings of the Local Governing Bodies shall be subject to regulations made by the Directors from time to time.

## **DELEGATION**

105. The Directors may delegate to any Director, committee (including any Local Governing Body), the Chief Executive Officer or any other holder of an executive office, such of their powers or functions as they consider desirable to be exercised by them. Any such delegation shall be made subject to any conditions the Directors may impose, and may be revoked or altered.

106. Where any power or function of the Directors has been exercised by any committee (including any Local Governing Body), any Director[, the Chief Executive Officer] or any other holder of an executive office, that person or committee shall report to the Directors in respect of any action taken or decision made with respect to the exercise of that power or function at the meeting of the Directors immediately following the taking of the action or the making of the decision.

## **CHIEF EXECUTIVE OFFICER, PRINCIPALS AND STAFF**

107. The Directors, having had regard to any relevant powers under section 124A of the School Standards and Framework Act 1998 or under the relevant supplemental funding agreement in respect of each Academy) shall appoint the Chief Executive Officer (if any is appointed) and the Principals of the Academies. The Directors may delegate such powers and functions as they consider are required by the Chief Executive Officer and Principals for the internal organisation, management and control of the Academies (including

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and frequency of meetings, quorum for meetings, development and implementation of policies, removal of members of local governing bodies, etc. It is not anticipated that this will need to be approved by the DfE however it should be sent to the DfE when submitting the Articles and attached to the Articles for use by each Academy as appropriate.

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the implementation of all policies approved by the Directors and for the direction of the teaching and curriculum at the Academies).

107A. In appointing staff the Directors will have regard where relevant to their powers under section 124A of the School Standards and Framework Act 1998 or to the powers provided to them under the relevant supplemental funding agreement in respect of each Academy and to their power where relevant to declare a Genuine Occupational Requirement for non-teaching appointments where they believe this to be justified.

## **MEETINGS OF THE DIRECTORS**

108. Subject to these Articles, the Directors may regulate their proceedings as they think fit.

109. The Directors shall hold at least three meetings in every school year. Meetings of the Directors shall be convened by the Clerk. In exercising his functions under this Article the Clerk shall comply with any direction:

- (a) given by the Directors; or
- (b) given by the chairman of the Directors or, in his absence or where there is a vacancy in the office of chairman, the vice-chairman of the Directors, so far as such direction is not inconsistent with any direction given as mentioned in (a).

110. Any three Directors may, by notice in writing given to the Clerk, requisition a meeting of the Directors; and it shall be the duty of the Clerk to convene such a meeting as soon as is reasonably practicable.

111. Each Director shall be given at least seven clear days before the date of a meeting:

- (i) notice in writing thereof, signed by the Clerk, and sent to each Director at the address provided by each Director from time to time; and

(ii) a copy of the agenda for the meeting,

provided that where the chairman or, in his absence or where there is a vacancy in the office of chairman, the vice-chairman, so determines on the ground that there are matters demanding urgent consideration, it shall be sufficient if the written notice of a meeting, and the copy of the agenda thereof are given within such shorter period as he directs.

112. The convening of a meeting and the proceedings conducted thereat shall not be invalidated by reason of any individual not having received written notice of the meeting or a copy of the agenda thereof.

113. A resolution to rescind or vary a resolution carried at a previous meeting of the Directors shall not be proposed at a meeting of the Directors unless the consideration of the rescission or variation of the previous resolution is a specific item of business on the agenda for that meeting.

114. A meeting of the Directors shall be terminated forthwith if:

(a) the Directors so resolve; or

(b) the number of Directors present ceases to constitute a quorum for a meeting of the Directors in accordance with Article 117, subject to Article 119.

115. Where in accordance with Article 114 a meeting is not held or is terminated before all the matters specified as items of business on the agenda for the meeting have been disposed of, a further meeting shall be convened by the Clerk as soon as is reasonably practicable, but in any event within seven days of the date on which the meeting was originally to be held or was so terminated.

116. Where the Directors resolve in accordance with Article 114 to adjourn a meeting before all the items of business on the agenda have been disposed of, the Directors shall before doing so determine the time and date at which a

further meeting is to be held for the purposes of completing the consideration of those items, and they shall direct the Clerk to convene a meeting accordingly.

117. Subject to Article 119 the quorum for a meeting of the Directors, and any vote on any matter thereat, shall be any three Directors, or, where greater, any one third (rounded up to a whole number) of the total number of Directors holding office at the date of the meeting.

118. The Directors may act notwithstanding any vacancies in their number, but, if the numbers of Directors is less than the number fixed as the quorum, the continuing Directors may act only for the purpose of filling vacancies or of calling a general meeting.

119. The quorum for the purposes of:

- (i) appointing a parent Director under Articles 56;
- (ii) any vote on the removal of a Director in accordance with Article 66; and
- (iii) any vote on the removal of the chairman of the Directors in accordance with Article 90,

shall be any two-thirds (rounded up to a whole number) of the persons who are at the time Directors entitled to vote on those respective matters.

120. Subject to these Articles, every question to be decided at a meeting of the Directors shall be determined by a majority of the votes of the Directors present and voting on the question. Every Director shall have one vote.

121. Subject to Articles 117 - 119, where there is an equal division of votes, the chairman of the meeting shall have a casting vote in addition to any other vote he may have.

122. The proceedings of the Directors shall not be invalidated by

- (a) any vacancy among their number; or

(b) any defect in the election, appointment or nomination of any Director.

123. A resolution in writing, signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors, shall be valid and effective as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held. Such a resolution may consist of several documents in the same form, each signed by one or more of the Directors.

124. Subject to Article 125, the Directors shall ensure that a copy of:

- (a) the agenda for every meeting of the Directors;
- (b) the draft minutes of every such meeting, if they have been approved by the person acting as chairman of that meeting;
- (c) the signed minutes of every such meeting; and
- (d) any report, document or other paper considered at any such meeting,

are, as soon as is reasonably practicable, made available at every Academy to persons wishing to inspect them.

125. There may be excluded from any item required to be made available in pursuance of Article 124, any material relating to:

- (a) a named teacher or other person employed, or proposed to be employed, at any Academy;
- (b) a named pupil at, or candidate for admission to, any Academy; and
- (c) any matter which, by reason of its nature, the Directors are satisfied should remain confidential.

126. Any Director shall be able to participate in meetings of the Directors by telephone or video conference provided that:

- (a) he has given notice of his intention to do so detailing the telephone number on which he can be reached and/or appropriate details of the video conference suite from which he shall be taking part at the time of the meeting at least 48 hours before the meeting; and,
- (b) the Directors have access to the appropriate equipment if after all reasonable efforts it does not prove possible for the person to participate by telephone or video conference the meeting may still proceed with its business provided it is otherwise quorate.

## **PATRONS AND HONORARY OFFICERS**

127. The Directors may from time to time appoint any person whether or not a Member of the Company to be a patron of the Company or to hold any honorary office and may determine for what period he is to hold such office.

## **THE SEAL**

128. The seal, if any, shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Clerk or by a second Director.

## **ACCOUNTS**

129. Accounts shall be prepared in accordance with the relevant Statement of Recommended Practice as if the Company was a non-exempt charity and Parts 15 and 16 of the Companies Act 2006 and shall file these with the Secretary of State and the Principal Regulator by 31 December for each Academy Financial Year.

## **ANNUAL REPORT**

130. The Directors shall prepare its Annual Report in accordance with the Statement of Recommended Practice as if the Company was a non-exempt



charity and shall file these with the Secretary of State and the Principal Regulator by 31 December each Academy Financial Year.

## **ANNUAL RETURN**

131. The Directors shall comply with their obligations under Part 24 of the Companies Act 2006 (or any statutory re-enactment or modification of that Act) with regard to the preparation of an annual return to the Registrar of Companies and in accordance with the Statement of Recommended Practice as if the Company was a non-exempt charity and to the Secretary of State and the Principal Regulator by 31 December each Academy Financial Year.

## **NOTICES**

132. Any notice to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In these Articles, "address" in relation to electronic communications, includes a number or address used for the purposes of such communications.

133. A notice may be given by the Company to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the Company by the Member. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.

134. A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.

135. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.

## **INDEMNITY**

136. Subject to the provisions of the Companies Act 2006 and Article 6.3 every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

## **RULES**

137. The Directors may from time to time make such rules or bye laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company, and in particular but without prejudice to the generality of the foregoing, they may by such rules or bye laws regulate:

- (a) the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
- (b) the procedure at general meetings and meetings of the Directors and committees of the Directors and meetings of the Local Governing Bodies in so far as such procedure is not regulated by the Articles; and

- (c) generally, all such matters as are commonly the subject matter of Company rules.

138. The Company in general meeting shall have power to alter, add or to repeal the rules or bye laws. Provided that no rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in the Articles.

#### **AVOIDING INFLUENCED COMPANY STATUS**

139. Notwithstanding the number of Members from time to time, the maximum aggregate number of votes exercisable by Local Authority Associated Persons shall never exceed 19.9% of the total number of votes exercisable by Members in general meeting and the votes of the other Members having a right to vote at the meeting will be increased on a pro-rata basis.

140. No person who is a Local Authority Associated Person may be appointed as a Director if, once the appointment had taken effect, the number of Directors who are Local Authority Associated Persons would represent 20% or more of the total number of Directors. Upon any resolution put to the Directors, the maximum aggregate number of votes exercisable by any Directors who are Local Authority Associated Persons shall represent a maximum of 19.9% of the total number of votes cast by the Directors on such a resolution and the votes of the other Directors having a right to vote at the meeting will be increased on a pro-rata basis.

141. No person who is a Local Authority Associated Person is eligible to be appointed to the office of Director unless his appointment to such office is authorised by the local authority to which he is associated.

142. If at the time of either his becoming a Member of the Company or his first appointment to office as a Director any Member or Director was not a Local Authority Associated Person but later becomes so during his membership or tenure as a Director he shall be deemed to have immediately resigned his membership and/or resigned from his office as a Director as the case may be.

143. If at any time the number of Directors or Members who are also Local Authority Associated Persons would (but for Articles 139 - 142 inclusive) represent 20% or more of the total number of Directors or Members (as the case may be) then a sufficient number of the Directors or Members (as the case may be) who are Local Authority Associated Persons shall be deemed to have resigned as Directors or Members (as the case may be) immediately before the occurrence of such an event to ensure that at all times the number of such Directors or Members (as the case may be) is never equal to or greater than 20% of the total number of Directors or Members (as the case may be). Directors or Members (as the case may be) who are Local Authority Associated Persons shall be deemed to have resigned in order of their appointment date the most recently appointed resigning first.
144. The Members will each notify the Company and each other if at any time they believe that the Company or any of its subsidiaries has become subject to the influence of a local authority (as described in section 69 of the Local Government and Housing Act 1989).

**THE COMPANIES ACT 2006  
& COMPANIES (REGISTRATION) REGULATIONS 2008 (SI 2008/3014)**

**A COMPANY NOT HAVING A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION  
OF  
TAUHEEDUL EDUCATION TRUST (TET)**

**THE COMPANIES ACT 2006**  
**& COMPANIES (REGISTRATION) REGULATIONS 2008 (SI 2008/3014)**

**SCHEDULE 2**

**A COMPANY NOT HAVING A SHARE CAPITAL**

**Regulation 2(b)**

**MEMORANDUM OF ASSOCIATION OF**

**TAUHEEDUL EDUCATION TRUST**

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company.

*Name of each subscriber      Authentication by each subscriber*

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Name:	Signature:
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[On Behalf Of:	]
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Name:	Signature:
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[On Behalf Of:	]
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Name:	Signature:
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[On Behalf Of:	]
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Dated

## **ANNEX 2**

### **Arrangements for pupils with Special Educational Needs ('SEN') and disabilities at Traditional Mainstream Academies, Mainstream Free Schools, Traditional Alternative Provision Academies and Alternative Provision Free Schools\***

#### **Duties in relation to pupils with SEN**

1. The Governing Body of the Company must comply with all of the duties imposed upon the governing bodies of maintained schools in:
  - Part 4 of the Education Act 1996 as amended from time to time<sup>21</sup>;
  - The Education (Special Educational Needs) (Information) Regulations 1999 as amended from time to time;
  - The Education (Special Educational Needs Co-ordinators) (England) (Amendment) Regulations 2008 as amended from time to time<sup>22</sup>.
2. Notwithstanding any provision in this Agreement, the Secretary of State may (whether following a complaint made to him or otherwise) direct the Company to comply with an obligation described in this Annex where the Company has failed to comply with any such obligation.
3. Where a child who has SEN is being educated in the Academy, those concerned with making special educational provision for the child must secure that the child engages in the activities of the school together with children who do not have SEN, so far as is reasonably practicable and is

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<sup>21</sup> Currently these duties are in sections 313 (Duty to have regard to the Special Educational Needs Code of Practice 2001); 317 (Duties in relation to pupils with special educational needs), 317A (Duty to advise parents that special educational provision is being made); and 324(5)(b) (Duty to admit the child where a school is named in the statement).

<sup>22</sup> These Regulations are amended by The Education (Special Educational Needs Co-ordinators) (England) (Amendment) Regulations 2009 (SI 2009 No 1387).  
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compatible with:

- (a) the child receiving the special educational provision which his learning difficulty calls for, the provision of efficient education for the children with whom he will be educated, and
  - (b) the efficient use of resources.
4. In addition to complying with the duties imposed upon the governing bodies of maintained schools set out in The Education (Special Educational Needs) (Information) Regulations 1999 (as amended from time to time), the Company must ensure that the Academy's website includes details of the arrangements for the admission of disabled pupils; the steps taken to prevent disabled pupils from being treated less favourably than other pupils; and the facilities provided to assist access to the Academy by disabled pupils (disabled pupils meaning pupils who are disabled for the purposes of the Equality Act 2010<sup>23</sup>).

### **Admissions**

5. The Company must ensure that pupils with SEN are admitted on an equal basis with others in accordance with its admissions policy.
6. Where a local authority ("LA") proposes to name the Company in a statement of SEN made in accordance with section 324 of the Education Act 1996, it must give the Company written notice that it so proposes. Within 15 days of receipt of the LA's notice that it proposes to name the Academy in a statement, the Company must consent to being named, except where admitting the child would be incompatible with the provision of efficient education for other children; and where no reasonable steps may be made to secure compatibility. In deciding whether a child's inclusion would be incompatible with the efficient education of other children, the Company must have regard to the relevant guidance issued by the Secretary of State to maintained schools.
7. If the Company determines that admitting the child would be incompatible with the provision of efficient education, it must, within 15 days of receipt of the LA's notice, notify the LA in writing that it does not agree that the Academy should be named in the pupil's statement. Such notice must set out all the facts and matters the Company relies upon in support of its contention that: (a) admitting the child would be incompatible with efficiently educating other children; and (b) the Company cannot take reasonable steps

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<sup>23</sup> For the meaning of 'disabled', see section 6 of the Equality Act 2010.  
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to secure this compatibility.

8. After service by the Company on the LA of any notice (further to paragraph 7 above) stating that it does not agree with the LA's proposal that the Academy be named, the Company must seek to establish from the LA, as soon as is reasonably practicable, whether or not the LA agrees with the Company. If the LA notifies the Academy that it does not agree with the Company's response, and names the Academy in the child's statement, the Company must admit the child to the school on the date specified in the statement or on the date specified by the LA.
9. Where the Company considers that the Academy should not have been named in a child's statement, they may ask the Secretary of State to determine that the LA has acted unreasonably in naming the Academy and to make an order directing the LA to reconsider.
10. The Secretary of State's determination shall, subject only to any right of appeal which any parent or guardian of the child may have to the First-tier Tribunal (Special Educational Needs and Disability), be final.
11. If a parent or guardian of a child in respect of whom a statement is maintained by the local authority appeals to the First-tier Tribunal (Special Educational Needs and Disability) either against the naming of the Academy in the child's SEN statement or asking the Tribunal to name the Academy, then the decision of the Tribunal on any such appeal shall be binding and shall, if different from that of the Secretary of State under paragraph 9 above, be substituted for the Secretary of State's decision.
12. Where the Academy, the Secretary of State or the First-tier Tribunal (Special Educational Needs and Disability) have determined that it should be named in a child's statement, the Company shall admit the child to the Academy.

\*For the avoidance of doubt this Annex does not apply to Special Academies as defined in the Master Funding Agreement. The arrangements for the admission and support of pupils with SEN and disabilities are set out in the relevant Supplemental Funding Agreement and its Annexes.