

Supporting  
Trust &  
Foundation  
Schools



# Trustee handbook

Essential information about trust schools

Working in partnership to support Trust & Foundation Schools



Specialist Schools  
and Academies Trust  
THE SCHOOLS NETWORK™

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## Trustee handbook

### Essential information for trust members and trustees of trust schools

**Acknowledgements** Department for Children Schools and Families

**Editor** Peter Chambers

**Audience** Current and potential trust members and trustees of trust schools; leadership team members of school trusts, governing bodies of trust schools.

**Aims** To help current and potential trustees of trust schools to understand the background, position, roles and responsibilities of this important function; to give practical information including key factors to be considered in becoming a trust member or trustee; to show examples of important documents such as a trustee code of conduct and terms of reference.

The Trust and Foundation Schools Partnership (TFSP) is the full and formal partnership between the:

- Specialist Schools and Academies Trust (SSAT)
- Youth Sport Trust (YST)
- Foundation & Aided Schools National Association (FASNA).

It represents a single identity and point of contact for school leaders, governors and partners.

The TFSP is contracted by the Department for Children, Schools and Families (DCSF) to:

- Support schools that wish to take on trust or foundation school status
- Form a network of trust and foundation schools to share best practice
- Raise awareness of these new opportunities for schools, governors and other stakeholders.

For further information please contact the TFSP at [www.trustandfoundationschools.org.uk](http://www.trustandfoundationschools.org.uk)  
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Designed by Hudson Fuggle  
Printed by Impact Print Solutions

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**Note:** Words in *italicised bold* can be found in the glossary

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# Section 1:

## Trust school background



A **trust** school is a state-funded **foundation school** supported by a charitable trust made up of external partners working together for the benefit of the school. Any maintained school can become a trust school – primary, secondary or special schools. Trust schools remain local authority maintained schools.

Following earlier legislation, the Education and Inspections Act 2006 included the provision for a Foundation school to set up a charitable foundation (or trust) to support the school. This type of Foundation school is known as a trust school.

To acquire trust status:

- Existing foundation schools can set up a charitable trust
- Other schools including **community schools** can take on foundation status and set up a trust within a single process.

The aim of trust schools is to use the experience, energy, networks and expertise from other schools and professions as a lever to raise standards in schools. The trust owns the land and buildings and appoints foundation governors to the governing body.

A trust school will:

- Manage its own assets
- Employ its own staff
- Set its own admissions arrangements within the statutory Admissions Code
- Choose which partners to work with.

A trust school is not:

- An **academy**
- A **grant maintained school**
- An **independent school**
- Involved in an admissions ‘free-for-all’
- Funded differently from community schools
- Run by businesses
- Separated from the local authority
- Able to avoid local authority re-organisation plans.

You will be a partner from an organisation sharing a vision with the school. You may find partners come from a range of different organisations. Common partners include:

- Businesses
- Universities and other Higher Education Institutions
- Further education colleges
- Community groups
- Charities including educational charities
- Public sector organisations
- Other schools.

**Voluntary aided schools** (VA) and **voluntary controlled schools** (VC) already have their own foundation or trust.

Foundations exist to appoint governors to the school and to hold the land for the school. Voluntary schools are faith schools, the foundation being integral to the school’s religious character. For these reasons a school is unable to have more than one foundation appointing governors to it and holding the land and assets, and the school would also be unable to come under a second trust which appointed governors to a number of different foundation schools.

In some cases, voluntary schools are able to become foundation schools and acquire a trust if they have the consent of the trustees and the persons who appoint the foundation governors.

### What is the difference between a single school trust and a shared trust?

A single school trust is where one school forms a trust with partners.

A shared trust is where a group of schools all become trust schools and work with the same partners in one trust.

Schools in a shared trust will normally have their own separate governing bodies, but each school will have some governors appointed by the trust. Schools can acquire a shared trust which builds on a **hard federation** where they will continue to have shared governing body arrangements. Schools not in a hard federation are able to establish one at the same time as a trust, or afterwards, if they wish. Single school trusts and schools in a shared trust are not excluded from working in other partnerships.

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**'I am delighted to be involved with the trust as a partner, with my influence at PGL and my passion for developing young people, I feel that I can have a positive impact on future initiatives. Central Technology and Sport College is on the leading edge of modern education and I feel privileged to be part of its success.'**

**Simon Barter, General manager of PGL Ltd, trustee of Central Technology and Sport College**

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### The trust:

- Is a company limited by guarantee, with charitable status
- Has to generate its own income – any budget that the trust may have is separate from the budget of the school(s).

### Trust partners:

- Act as corporate members of the trust
- Can appoint individuals as **trust members**.

### Trust members:

- Can be individuals or organisations – the local authority is limited to 20% representation
- A trust may have a single member
- Normally include the trust partners, or they can appoint members to join the trust
- Take decisions about the organisation of the trust
- Are able to make changes to the trust's 'constitution', as set out in the **Memorandum and Articles of Association**
- Decide how trustees are to be appointed – they can appoint trustees themselves or can provide for organisations and individuals who are not members to appoint trustees
- Hold **trustees** to account
- Act as guarantors for the trust- the financial liability of members is limited to the sum they guarantee when they join the trust, usually the sum of £10
- Can attend general meetings (this should be set out in the governing documents of the trust).

### Trustees:

- Are named individuals- local authority officers are limited to 20% representation
- A minimum of two is recommended by the Charity Commission
- Are responsible for the day-to-day management of the trust ensuring it is solvent, well-run and delivering the charitable outcomes for which it has been set up
- Appoint at least 2 foundation governors to the school's governing body or more if requested
- Can invite non-trustees (including trust members) to attend trust meetings, but only trustees are able to vote.

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## Section 2:

# Aspects to consider

Information about the school can be found in various documents and forms, such as:

- Mission statement
- Newsletters and publicity
- Ofsted reports
- School website.

The need for further information about the school may arise during discussions about working in the trust.

Some questions to consider early on in your role:

- Are you fully aware of the task/job descriptions of trustees?
- Do you have a copy of the code of conduct and agreement?
- Have you had an induction course/programme?
- Do you have a statement of your roles and responsibilities as a board member?
- Have you identified what you can offer by way of skills, experiences and knowledge?
- Do you have a copy of any trustee documents and policies (e.g. a code of practice)?
- Do you know the aims of the school/s?
- Do you know about the key issues facing the school/s?
- Do you know about future projects or activities planned?
- Do you understand the structure of the school/s and your role in it?
- Do you understand the staff structure and your relationship with staff/parents?
- Do you understand your role and responsibilities as a trustee?
- Have you met with the chair and Headteacher/s and had a site visit?
- Have you met and got to know the other trustees?
- Do you have support or training needs and are they being addressed?

- Have you joined/been invited to join a subcommittee?
- Do you feel you are an equal member of the board, able to contribute fully?

If there are any gaps in your knowledge please raise these with the Chair of the trust board, Headteacher or [contact@trustandfoundationschools.org.uk](mailto:contact@trustandfoundationschools.org.uk)

### What is the role of the Governing Body?

Governing bodies of trust schools remain responsible and accountable for all major decisions about the school and its future. They are required to meet at least three times a year. Governors have a legal responsibility to conduct the school with a view to promoting high standards of educational achievement. Governing bodies are corporate bodies and, as such, a governing body acts as a single legal person with an identity separate from its members.

Like all maintained schools, trust schools have a 'stakeholder model' of governance. There are five compulsory stakeholder groups for trust schools: parents, school staff, the local authority, the community and trust-appointed governors.

In the case of trust schools, trustees will appoint governors (who could be the trustees themselves) to sit on the school's governing body. The school's existing governing body decides whether the trust will appoint a majority or minority of governors. If the trust is to appoint the minority of governors then the governing body must comprise at least two (and no more than 45%) trust-appointed governors. In the case of majority appointment there can be up to a majority of two trust-appointed governors. If the trust appoints a majority of governors then the school must establish a parent council.

The governing body is not accountable to the trust, and neither is the trust accountable to the governing body. They have their own clear lines of accountability. There is an interface between the two bodies enabling them to work successfully alongside each other whereby there is foundation governors from the trust on one direction and often the trust membership of the Headteacher and Chair of Governors in the other. The trust board will submit progress reports to the governing body so that the governing body is able to have an overview of the trust's work and achievements.




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**'We regard our relationship with Selly Oak School as one of true partnership and shared values. Selly Oak already makes a huge difference to the lives of so many young many people, their families and supporters. We are proud to be able to play a small part in that process.'**

Cyrrhian Macrae, Head of community & co-operative affairs of Midlands Cooperative Society Ltd, partner of Selly Oak School

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### How will the governing bodies of trust schools be made up?

Governing bodies will continue to include elected parent and staff governors, as well as local authority and community governors. Trusts will choose who they appoint to the governing body – this could be people who are members of the trust, or employees of organisations involved in the trust. Trusts will also be able to appoint individuals who are not associated with the trust if the trust thinks they will uphold and support its aims.

### What happens if a trust supports more than one school?

A trust will be able to support more than one school. This could help schools in an area to work together, or could support a network of schools across the country in developing a particular specialism or ethos and approach. Where the trust is involved with more than one school, opportunities for sharing of resources and greater workforce development may result. Schools supported by a shared trust could continue to have separate governing bodies, but each school would have some governors appointed by the trust. This would support the schools in developing a shared direction, and in rapidly spreading good practice and innovative approaches. Each school would go through the process to acquire the trust (including consultation with parents and other local stakeholders) and would decide whether to allow the trust to appoint a minority or majority of the governors for that school.

### Staff

For a community school the employer of all staff changes from being the local authority to the governing body. The staff within a trust school is employed by the governing body, not the trust – this is the same position as in other foundation schools and voluntary aided schools. There is no change of employer if a foundation or voluntary aided school becomes a trust school.

### Funding

Trust schools will be funded on the same basis as other maintained schools, according to the local authority's funding formula and will continue to receive all the other funding streams other schools receive (School Development Grant, School Standards Grant, etc). Funding goes directly to the governing body (not the trust).

### Land

When a community school acquires a trust, the school's assets and land will transfer to that trust to be held on trust for the duration of its relationship with the school. The trust does not have to pay for the land and assets. The governing body of the school will have day-to-day control over the school premises. Trust schools will be able to benefit directly from the disposal of land but all proceeds must be used for capital investment in educational assets in the maintained sector, and the trust itself will not be able to profit from any such disposals. The local authority may be able to challenge the disposal of land so any proposed disposal should be discussed with the authority at an early stage. There is no change to the rigorous procedure for any disposal of school playing fields, which will continue to require the consent of the Secretary of State. Any disposal of land, as with any actions of the trust, must be in accordance with the **charitable objects** of the trust. For an existing foundation school becoming a trust, the land and assets will transfer from the governing body to the trust.

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# Section 3:

## The role of a trustee

### What does the role of the trustee involve?

There is no one model, but the following will be useful:

**Adaptability**  
**Leadership**  
**Problem solving**  
**Communication**  
**Creativity**  
**Resilience**  
**Decision making**  
**Project management**  
**Collaboration**  
**Technical skills**

### Why become a trustee?

Trusteeship is a satisfying experience, working together in partnership with others who have shared beliefs, shared values, and commitment to achieve a vision. By joining a board, you are at the centre of the action. But trusteeship can also be about your own development as a person: learning new, diverse skills and new ways of working.

- Be a more active citizen
- Serve your community
- Help the trust achieve its aims
- Work with other like-minded individuals for a common aim
- Network with a range of organisations
- Use your skills, experience and knowledge
- Keep up to date with current issues, changes in strategy, legal and fundraising requirements, requirements of statutory bodies
- Develop renewed sense of your self-worth and satisfaction
- Help your organisation become involved with this strand of education and input into your Corporate Social Responsibility agenda
- Broaden your horizons by coming into contact with new people and unfamiliar situations.

Trustees must be prepared to give the necessary time for:

- Reading board papers
- Attending regular board meetings
- Keeping informed about the school/s activities.

This generally does not amount to more than a few hours a month.

### How has the trust process benefited schools?

Schools completing the process have found that:

- It has re-energised their children and young people, staff, governors and parents due to the need to reappraise their aims and improvement strategies to identify the particular benefits to be derived from the creation of a strong and local partnership with the community
- The relationship with existing and new partners has been strengthened
- The creation of a trust, through the consultation and statutory process, has provided a clear agenda which is owned and valued by the school(s), children and young people and their parents
- The governing body or bodies of trust schools have been strengthened by working through the process together
- Newly appointed trust governors have brought additional skills and expertise
- The process has enhanced the capacity of schools individually and collectively to address key improvement agendas which have the collective support of the partnership, in a way that has children and young people at the centre, with structures and processes which can be sustained.

### Who can be a trust school trustee?

Most people 18 years of age or over can become a trust school trustee, but a few are not eligible. Those who have already been disqualified as company directors or would not be eligible to be company directors and those who have been convicted of an offence involving dishonesty or deception are some of the people who cannot usually become trustees.

All school trustees must have a Criminal Records Bureau (CRB) check for this role, the school is responsible for ensuring this is completed.

**‘We can support schools as they examine the different vocational pathways open to them and what the implications, benefits and pitfalls could be.’**

**Sylvia Campbell, Education Director of Skill Force, partner of four trust schools**



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### What does a trustee do?

Being a trustee for a trust school should not be onerous but should be rewarding and enjoyable and an opportunity to serve the community while learning new skills. Trustees are responsible for controlling the management and administration of a trust (or charity), ensuring that it is solvent, well-run, and delivering the charitable outcomes for which it has been set up. The administration of the trust is likely to be minimal (arranging and taking minutes of meetings, for example) and may not involve producing full annual accounts, depending on the trust's income and status.

Trustees should meet regularly, depending on the size and nature of the trust, but requirements for meetings may be set out in the governing documents. The Charity Commission recommends that there are at least two full trustees' meetings in any 12 month period. For trust schools the commitment is likely to be in excess of that. At a minimum, once a trust is established and if the trustees are dealing solely with core businesses such as appointing governors etc, the work of the trustees could be contained within termly meetings of 1–2 hours plus a 2-hour AGM. However, in practice we expect trustees will want to have more regular meetings depending on local circumstances and the nature of the trust's involvement with its school(s).

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**'We have also found that our employees gain a huge amount of personal satisfaction from supporting the school specifically in the areas of academic achievement and personalised learning.'**

**John Simpson, director of Tribal Education, partner in the Innovation Trust with Monkseaton Community High School, Whitley Bay, Tyne and Wear, Microsoft Education (UK) and North Tyneside local authority.**

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### Appointing governors

Given the importance of good governance it is vital that trusts appoint governors with the right skills and attributes and who are prepared to make a long-term commitment to the role. This requires a rigorous needs and skills assessment, selection and monitoring process. While it is important to have the right mix of skills on the governing body it is also important that it represents the diversity of the community served by the school and is conversant with the local community's issues and aspirations.

Selecting the right balance of trust-appointed governors is a key challenge for trusts. The ability of the trust to provide support to its governors can greatly improve the working of governors and give them greater confidence in their work. It is important for the trust to take an active interest and provide adequate support to the trust-appointed governors.

### Generating income

The trust is able to generate income as long as the proceeds are re-distributed into capital projects or other educational provision for the benefits of the school/s.



**Trustee task examples:****Example 1**

**Roger Leech** from Unilever UK Central Resources Limited is a trust partner on the North Bedfordshire Schools Trust.

The mission of the North Bedfordshire Trust is: ‘through our partnership between education and business we will achieve excellence through co-operation and the sharing of aspirations and expertise to create a unique, innovative and exciting 21st century education provision for the benefit of all our students.’

Activities Unilever has been involved in include:

- chairing the science curriculum working group
- organising Unilever scientists’ involvement in science days at the lower schools
- co-ordinating 35 work experience placements in Unilever Colworth each year
- arranging for students and teachers to attend leading science presentations from Unilever’s academic partners from universities and other institutions around the world.

**Example 2**

**Ken Tonge** is strategic head at the Ashington Learning Partnership Trust.

The trust is a virtual all-through school involving 3,000 students from 3 to 18 and 500 adult learners. Its aim is to raise achievement and aspiration in this former mining community by creating a continuous system of education for all ages, removing transition barriers and engaging in exciting education projects which break down barriers of age, subject and school location. It is based on five sites with two first schools feeding into two middle schools, which feed into a high school. Each site has its own headteacher.

Ken Tonge has enabled trustees from partner organisations to support the trust in a number of ways, such as:

- Northumbria University is involved in accreditation and teaching of a research based bespoke masters degree for staff in the trust, linking action research in the classroom to the trust’s development plan
- Action for Children (Ashington Children’s Centre) works with the schools on a pre-school motor skills project
- Northumberland College works with the trust staff in arranging programmes to accredit and develop support staff capabilities in finance, administration and school maintenance.

**Example 3**

**Nigel Shillabeer** from AstraZeneca UK Limited is a member of the board of trustees on the Kingsbridge Learning Trust Ltd.

The vision of this trust is to strengthen learning and teaching and raise standards across the curriculum; raise students’ aspirations; provide opportunities for staff development; maximise the impact of specialism’s in science, arts and leading edge practice; and strengthen links with the community, nationally and internationally, and with business and higher education.

As an organisation, AstraZeneca will be working with the trust to:

- identify joint opportunities for continuous professional development of staff
- contribute to curriculum and learning development
- in particular looking at the possibility of promoting a Saturday science club at a number of schools in the area.

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## Section 4:

# Becoming a trust school

Stage	Action
Preliminary stage	<p>The governing body passes a resolution to consider change of category proposals. The resolution is recorded in the governing body minutes. The governing body drives the process and is the decision maker.</p> <ul style="list-style-type: none"> <li>• School informs the local authority in writing at least seven days in advance of this meeting. The local authority may not dispose of any school property until the governing body's proposals are decided or withdrawn.</li> </ul>
Stage one	<ul style="list-style-type: none"> <li>• The school establishes a clear vision and focus for the trust</li> <li>• The school drafts Memorandum of Understanding with partners.</li> </ul>
Stage two	<p>The school prepares a consultation plan and:</p> <ul style="list-style-type: none"> <li>• Consults widely with stakeholder groups</li> <li>• Consults the local authority about land transfer</li> <li>• Reviews responses to the consultation and decide whether to proceed.</li> </ul>
Stage three	<p>The school:</p> <ul style="list-style-type: none"> <li>• Decides on an <b>implementation date</b></li> <li>• Decides on the structure and operation of the trust</li> <li>• Publishes <b>statutory proposals</b></li> <li>• Publishes statutory notice</li> <li>• Allows 4 weeks for comments.</li> </ul>
Stage four	<ul style="list-style-type: none"> <li>• The school reviews comments received on the statutory proposals</li> <li>• The school decides to accept or reject the proposals.</li> </ul>
Stage five	<p>The school engages a solicitor (experienced in education and charity law) to draw up the trust governance documents and deal with land transfer.</p> <ul style="list-style-type: none"> <li>• Revises the <b>Instrument of Government</b></li> <li>• Registers with <b>Companies House</b></li> <li>• Registers with the Charity Commission if they have an income exceeding the threshold [Charity Commission are not accepting voluntary registrations]</li> <li>• Obtains relevant CRB (Criminal Records Bureau) certificates for trustees before the trust implementation date</li> <li>• Prepares plans for the <b>Parents Council</b> (only for majority of trust-appointed governors).</li> </ul>
Post implementation	<ul style="list-style-type: none"> <li>• The governing body is reconstituted</li> <li>• On the implementation date, the land and assets automatically transfer to the trust</li> <li>• School consults on proposed admissions arrangements</li> <li>• Amendments are made to staff contracts and school policies</li> <li>• The governing body, in consultation with the local authority, considers what insurance and other arrangements it may need to make.</li> </ul>

# Section 5:

## The legal background

### The duties and legal responsibilities of trustees include:

- Appointing governors
- Holding the legal title to the land and assets
- At all times, to act in the best interests of the charity
- Not to benefit from his or her office as a trustee – other than to the extent permitted by the constitution
- Not to put himself or herself in a position where his or her interests conflict with those of the charity.

### Pay and other financial benefits

Trustees are usually volunteers. Charity trustees do not normally receive payment or financial benefit for the time they give to the charity. Trustees must act in the best interests of the charity and any financial reward from this could lead to a conflict of interest.

### Conflict of interest

As part of the vetting process involved in appointing trust partners and trustees, the trust partners and trustee would have to immediately declare if they thought there might be a future conflict of interest, e.g. they are a supplier to the school already or would like to be in the future. Obviously there is an ongoing duty to declare potential conflicts as and when they arise.

It would be important for the trust to have a procedure in place for dealing with conflicts or potential conflicts of interest and to follow it.

### Expenses

Generally, trustees can be reimbursed for these items:

- Travel and over-night accommodation
- Meals
- Enabling or support costs (such as personal care or reading/braille papers)
- Care of dependants while on trust business
- Postage and telephone costs (call charges, but not normally line/apparatus rental).

You should find out about the expenses policy for your trust to see if there are any rules on maximum amounts or claimable items.

### Can I be paid to be a trustee?

The Charities Act 2006 contains a limited power to pay trustees but most trustees are unpaid and must not benefit in any way from their connection with the trust (e.g. borrowing money from the trust).

Reasonable and necessary out-of-pocket expenses, such as the cost of travel to attend trustee meetings, may be paid from the trust's funds. Any trustee payment must be transparent i.e. unless authorised by the 2006 Act it must be explicitly authorised by the trust's constitution.

### What are the risks of trustee personal liability?

A conscientious and committed trustee need have few worries about personal liability but it is important for all trustees to understand their position. In general, any liabilities will be liabilities of the trust. Trustees are protected by the law of agency, since they enter into commitments as agents of the trust, and the relevant legal framework generally prevents the members of the trust from being liable. Trustee indemnity insurance is available – see [www.charity-commission.gov.uk/publications/cc49.asp#24](http://www.charity-commission.gov.uk/publications/cc49.asp#24) for further information.

As an incorporated body, the financial liability of members of the trust is limited to the sum they guarantee when they join the company. This is a nominal sum, for example £10.

It is unlikely that trustees will be held personally liable, if they always:

- Act reasonably
- Comply with their governing document
- Take appropriate professional advice where they don't know enough to make a decision
- Take appropriate professional advice where they are required to by law.



### **Who would be responsible if there were financial/legal improprieties and issues in the school?**

All maintained schools, including trust schools, have a governing body which is responsible for all major decisions and accountable for all aspects of the conduct of the school. Governing bodies as a whole and not the trust will be accountable for the school's performance whilst the head teacher remains responsible for the day to day running of the school. Governors have a legal responsibility to conduct the school with a view to promoting high standards of educational achievement.

Governing bodies are corporate bodies. As such, a governing body acts as a single legal person with an identity separate from its members. Responsibility for the actions and decisions of a governing body rests with the whole body rather than with individuals.

There is no distinction between trust appointed governors and other governors on a trust school governing body with respect to financial or any other kind of liability. The governing body of every maintained school has a duty to ensure that the school has adequate levels of insurance cover to cover, for example, property, employers' liability and public liability. By virtue of Section 50(7) of the Standards and Framework Act 1998, governors do not incur any personal liability in respect of anything undertaken in good faith in exercising their power to spend the school's budget share, or delegating power to the head teacher. An example of an act not undertaken in good faith is fraud.

### **Who picks up any debts /overspends incurred by the trust?**

Trust schools are funded like all other local authority maintained schools – funding goes directly to the governing body (not the trust). Trusts are not required or expected to make any financial contribution to the schools that they support. Any liabilities (such as debt) incurred by the trust will not transfer to the school and vice-versa. As an incorporated body, the financial liability of members of the trust is limited to the sum they guarantee when they join the company. Members of a charitable company guarantee to pay a nominal sum (for example £10) which is the amount which members undertake to contribute to the assets of the company in the event of it being wound up.

### **Would the trust be liable for any debts incurred by the school?**

No. Any deficit occurring in the delegated budget of a trust school is the responsibility of the governing body in the first instance. The local authority will have licensed the deficit and agreed a recovery plan that will return the school to balance over an agreed period of time. The trust would not be liable.

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**'Being a trustee within 'The Innovation Trust' enables us to engage with all the partners involved to bring together our combined expertise with the single goal of improving the learning of every one of the students.'**

**Clare Riley, head of education relations at Microsoft (UK), also partner of the Innovation Trust.**

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### When does the trust need to register with the Charities Commission?

Generally, only charities with an annual income above £5,000 must now register with the Commission. This threshold has gone up from its previous level of £1,000. This increase in the threshold means that most charities with an annual income of £5,000 or less do not have to register. All charities that opt for the new status of Charitable Incorporated Organisation must register with the Commission, regardless of their income. The Commission now offers an on-line application for registration service. This provides a quick and easy means of getting the registration application form and governing document to the Commission.

The trust will be subject to regulation by the Charity Commission; it will investigate any complaints about the way the trust operates and it has powers of intervention. This will apply even if the trust is not registered with the Charity Commission.

### Companies House

The trust must be registered with Companies House, which is the agency which incorporates and dissolves limited companies. The Companies House website contains detailed information about registering the trust, available at:

[www.companieshouse.gov.uk/infoAndGuide/companyRegistration.shtml](http://www.companieshouse.gov.uk/infoAndGuide/companyRegistration.shtml)

You will need to send to Companies House:

- The Memorandum of Association
- The Articles of Association
- Information about the trustees, trust secretary and the registered office
- A declaration stating that the company complies with the Companies Act
- A fee (please see companies house website for current fee).

### Equality duties for trusts

Trusts will have duties under the Race Relations Act, the Disability Discrimination Act and the Equality Act.

**Race Relations Act:** ‘...have due regard to the need to:

- eliminate unlawful discrimination, and
- promote equality of opportunity and good relations between persons of different racial groups.’

**Disability Discrimination Act:** ‘...have due regard to do the following:

- promote equality of opportunity between disabled people and other people
- eliminate discrimination that is unlawful under the Disability Discrimination Act
- eliminate harassment of disabled people that is related to their disability
- promote positive attitudes towards disabled people
- encourage participation by disabled people in public life
- take steps to meet disabled people’s needs, even if this requires more favourable treatment.’

**Equality Act:** ‘...have due regard to the need to:

- eliminate unlawful discrimination and harassment, and
- promote equality of opportunity between men and women.’

The specific duties are designed to help organisations meet the general duty – like other public authorities, trusts will be required to produce a Race Equality Scheme, a Disability Equality Scheme and a Gender Equality Scheme. This does not have to involve excessive bureaucracy, and you can produce a combined scheme to cover both Race Equality and Disability Equality.

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### What if something goes wrong?

Acquiring a trust is intended to be a permanent relationship that is normally only terminated where a school is failing or where the trust is unable to carry out its functions. A school that acquired a trust under the provisions of the Education and Inspections Act 2006 must follow a statutory process, including the publication of proposals, in order to remove that trust.

In the unlikely event of things going wrong the act allows the majority of the governing body of a trust school to publish proposals to remove the trust at any time. In cases where the trust appoints the majority of the governing body, a minority of the governors will be able to trigger the publication of proposals, but may only do so after the trust has been in place for five years, or no less than five years after any previous proposal to remove the trust has been rejected by the governing body.

Unless a specified majority of the governors vote to keep the trust, it will be removed. The Charity Commission will be able to intervene if there are problems with the conduct or management of a trust. If the trust is removed, the school retains foundation status.

### I no longer want to be a trustee/I'm leaving my organisation, what do I do?

If for any reason you need to leave your role as trustee you must notify the board of trustees in writing giving at least 1 months notice if possible. You should also make arrangements within your own organisation to handover your role and responsibility to ensure continuity.

Membership of the trust is not transferable, so any individual or organisation wishing to become a member of the trust would have to be approved – it is not possible to become a member and then pass that membership to a different organisation or individual.



## Section 6:

# Trustee checklist

In your role as a trustee there are some essential things you need to know and do at the outset to ensure the aims of the trust are met.

Task	Completed
Ensure the trust is registered with Companies House as a company limited by guarantee.	
Confirm how many people account for a valid trust meeting.	
Identify a company secretary who will record decisions and minutes.	
The trust secretary must up-date Companies House and the Charity Commission of all changes to trustees, trust secretary and registered office, and to the Memorandum and Articles of Association.	
Identify the <b>statutory book</b> which should be kept updated by the company secretary. Items to be included in book:	
Record minutes of all meetings.	
Ensure all trustees see a valid Memorandum and Articles.	
Determine the voting procedure e.g. hands up, ballot box.	
Appoint trust-appointed governors as directed by the governing body. These do not have to be trustees.	
Hold an Annual General Meeting (AGM).	
The trust must send annual returns to Companies House and the Charity Commission (if registered with it and the income exceeds £10,000).	
Reference the Race Relations Act, the Disability Discrimination Act and the Equality Act.	
Identify and record names, roles and responsibilities for all trustees.	

The trust **must** check the detail of audit requirements with an accountant.

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# Section 7:

## Glossary

**21st Century Schools** The Children's Plan sets out the Government's ambition to make England the best place in the world for children and young people to grow up. World class schools, and world class standards for every community, are central to realising this ambition.

**Academy** Academies are publicly funded independent schools, for pupils of all abilities, involving sponsors from business, faith or voluntary groups, working with central Government and local education partners. Visit [www.standards.dfes.gov.uk/academies/](http://www.standards.dfes.gov.uk/academies/) for more information.

**Associate members** There is no 'legal' definition of associate member. The way to become an associate member and what rights associate members have are normally set out in the company's articles.

**BSF (Building schools for the future)** The Building Schools for the Future programme will see every state secondary school in England, around 3,500 in total, rebuilt or remodelled over the lifetime of the programme.

**Charitable objects** Objects describe and identify the purpose for which the charity has been set up. They do not say what the organisation will do on a daily basis. They must be clear and unambiguous and need the consent of the Charity Commission to change. In order to be considered a charity (and get the associated tax benefits) the objects must fit within one of the 13 categories set out in the Charities Act 2006. Logically, in order to support the school(s), the objects would need to include the advancement of education (or something similar) and there is a requirement to include community cohesion (as required by section 23A(6) of The School Standards and Framework Act 1998, as amended by the Education Act 2006).

**Community school** State schools in England and Wales which are wholly owned and maintained by the Local Education Authority. The Local Education Authority is the admissions authority and has main responsibility for deciding arrangements for admitting pupils.

**Companies House** All limited companies in England, Wales and Scotland are registered at Companies House, an Executive Agency of the Department for Business, Enterprise and Regulatory Reform (BERR). There are more than 2 million limited companies registered in Great Britain, and more than 300,000 new companies are incorporated each year.

**Co-operative Trusts** The trust model can be adapted to include co-operative values and principles into schools.

**Director** Charitable companies may refer to directors (instead of trust members/trustees).

**Due diligence** Schools will want to check that their partners are suitable. Due diligence involves identifying and investigating potential issues so that you can take an informed decision.

**FASNA** Foundation and Aided School National Association. FASNA has particular expertise on the issues around foundation status and can advise and support schools. [www.fasna.org.uk](http://www.fasna.org.uk)

**Foundation** A charitable organisation that supports one or more schools by holding land on trust and appointing governors. Voluntary controlled and voluntary aided schools already have foundations, as do some foundation schools.

**Foundation school** In England and Wales, a foundation school is a self-governing school with charitable status, where the governing body is responsible for admissions, employs the staff and owns the land and assets. It is a state-funded school in which a foundation or trust has some formal influence in the running of the school. The land and buildings are typically owned by the governing body. Foundation schools are wholly funded by government. The governing body employs the staff and has responsibility for admissions to the school, subject to rules imposed by central government. Pupils follow the National Curriculum.



**Gaining ground** These are schools which have done well to reach good levels of attainment, but have not yet got the best out of a substantial minority of children who did well in primary school, then lost momentum.

**Grant maintained school** Grant maintained (GM) schools were developed to allow more parental choice within the state maintained sector. The legislative conditions that created grant maintained schools lasted from 1988 until 1998. Grant maintained schools had their default status changed to foundation schools in 1998. Most GM schools became foundation schools although most of those that had previously been voluntary aided schools reverted to being voluntary aided schools.

**Hard federation** A hard federation is an arrangement by which two or more schools share a single governing body. Federations can involve a mix of all maintained schools, including primary, secondary, special and nursery. Within the federation each school retains its separate legal identity in respect of its budget, admissions and performance tables, and each is subject to a separate inspection by Ofsted (although school budgets may be pooled).

**Implementation date** The date from which the school will become a trust school. This will be set out in statutory proposals.

**Independent school** Which include public schools, are schools which are not funded by the state and obtain most of their finances from fees paid by parents and income from investments. Most boarding schools are independent.

**Instrument of Government** The document which records the name of the school and the constitution of its governing body.

**Local authority maintained schools** Schools which are funded by the local authority: community schools, foundation schools, including trust schools, voluntary controlled schools, and voluntary aided schools. All maintained schools teach the National Curriculum, act in accordance with the School Admissions Code and employ teachers in line with the School Teachers' Pay and Conditions Document.

**Memorandum and Articles of Association** These are the documents required by Companies House for the purpose of registration of the trust as a company. The memorandum of association of a UK company sets out a range of information including the company's name, the proposed location of its registered 'office' in the UK and the objects of the company. The articles of association (often just called 'articles') of a UK company contain the rules for its internal regulation and management. The articles deal with such things as meeting procedure, powers of directors and members' rights.

**National Challenge** The National Challenge aims to ensure that in every school at least 30 percent of the pupils achieve five GCSEs grade A\* to C, including English and maths, by 2011.

**National Challenge Trust** Where a National Challenge Trust is the chosen way of achieving at least 30 percent of the pupils achieving five GCSEs grade A\* to C, including English and maths, by 2011, schools will be eligible to receive up to £1 million.

**Parent Council** If the trust appoints a majority of the governing body there will be fewer elected parent governors. Where this is the case trust schools will be required to establish a Parent Council with an advisory/consultative role.

**PFI (private finance initiative)** PFI is a means of delivering better and more cost-effective public services by bringing the private sector more directly into the provision of the assets the public sector needs. PFI is about more than just financing and accounting – it aims to exploit the full range of private sector management, commercial and creative skills.

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**Schools Competition** The normal route for establishing any new maintained school (primary, secondary or special school) is for the local authority to invite proposals from a range of proposers. This process is generally referred to as a ‘competition’. Further information on both processes can be found at [www.dcsf.gov.uk/schoolorg](http://www.dcsf.gov.uk/schoolorg) ‘Establish a new school’.

**Soft federation** A soft federation, or collaboration, is a formal arrangement by which two or more governing bodies share elements of governance which may include joint meetings of governing bodies and joint committees including a joint strategic committee with delegated powers. Under these arrangements each school retains its individual governing body. Soft federation can involve a mix of primary and secondary schools and is based on the principle of allowing governing bodies and joint committees freedom to determine their own arrangements within an agreed framework. It can cover a range of operational models including an over-arching committee delegated to take strategic decisions on behalf of two or more governing bodies, and/or setting up single-issue committees such as premises or curriculum committees.

**SSAT (Specialist Schools & Academies Trust)** – an independent, not-for-profit membership organisation dedicated to raising levels of achievement in education.

**Statutory book** Statutory Books are the official records kept by the trust relating to all legal and statutory matters. The statutory book is usually kept at the school. The book should be available to the general public for inspection during reasonable office hours.

**Statutory proposals** Formal proposals to become a trust school or carry out any other prescribed alteration or open or close a maintained school. The information that must be included is set out in regulations.

**Trust** A charitable organisation that supports one or more schools by holding land on trust and appointing governors. They must be incorporated organisations – either a charitable company or (once the relevant provisions of the Charities Act 2006 come into force) a charitable incorporated organisation.

**Trustee** Usually a named individual (although can be a corporate body) responsible for the day-to-day management of the trust, which is likely to include identifying and appointing some of the governors for the school(s) the trust supports.

**Trust members** Can be individuals or organisations. They take decisions about the organisation of the trust, including how trustees are elected or appointed. They also hold the trustees to account, for example at a General Meeting.

**TFSP** Trust and Foundation Schools Partnership – a consortium of SSAT, YST and FASNA.

**TUPE** Transfer of Undertakings (Protection of Employment) Regulations (2006).

**Voluntary aided (VA) school** A state-funded school in England and Wales in which a foundation or trust (often a religious organisation) appoints the majority of the governing body, contributes to building costs and has a substantial influence in the running of the school. Voluntary aided schools are a kind of “maintained school”, meaning that they receive all their running costs from central government via the Local Education Authority, and do not charge fees to students. Pupils follow the National Curriculum, except that faith schools may teach Religious Education according to their own faith.

**Voluntary controlled (VC) school** A state-funded school in England and Wales in which a foundation or trust (usually a Christian denomination) has some formal influence in the running of the school but does not have a majority. Voluntary controlled schools are a kind of “maintained school”, meaning that they are funded by central government via the Local Education Authority, and do not charge fees to students. The land and buildings are typically owned by a charitable foundation, which also appoints about a quarter of the school governors. Pupils follow the National Curriculum.

**YST** Youth Support Trust. A registered charity, working to build a brighter future for young people by enhancing the quality of their physical education (PE) and sporting opportunities.

# Section 8:

## Useful resources

**Trust & Foundation Schools**

[www.trustandfoundationschools.org.uk](http://www.trustandfoundationschools.org.uk)

**Charities commission**

[www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)

**Trustee Net**

[www.trusteenet.org.uk](http://www.trusteenet.org.uk)

**Institute of Fundraising**

[www.institute-of-fundraising.org.uk](http://www.institute-of-fundraising.org.uk)

**National Council for Voluntary Organisations**

[www.ncvo-vol.org.uk](http://www.ncvo-vol.org.uk)

**Do-It (volunteer bank)**

[www.do-it.org](http://www.do-it.org)

**Commission for Equality and Human Rights (CEHR)**

[www.cehr.org.uk](http://www.cehr.org.uk)

**National Challenge**

[www.dcsf.gov.uk/nationalchallenge](http://www.dcsf.gov.uk/nationalchallenge)

**Trust Schools**

[www.standards.dfes.gov.uk/sie/si/eips/trusts](http://www.standards.dfes.gov.uk/sie/si/eips/trusts)

**Trust school proposals**

[www.dcsf.gov.uk/schoolorg/dsp\\_tsp-proposals.cfm](http://www.dcsf.gov.uk/schoolorg/dsp_tsp-proposals.cfm)

**Guide to Law for School Governors**

[www.governornet.co.uk/linkAttachments/GTTL%20June%202007%20-%20pdf.pdf](http://www.governornet.co.uk/linkAttachments/GTTL%20June%202007%20-%20pdf.pdf)

**Governornet**

[www.governornet.co.uk](http://www.governornet.co.uk)

**Teachernet**

[www.teachernet.gov.uk/management/governors](http://www.teachernet.gov.uk/management/governors)

**National Governors Association**

[www.nga.org.uk](http://www.nga.org.uk)

**British Chambers of Commerce**

[www.chamberonline.co.uk](http://www.chamberonline.co.uk)

**Science, Technology, Engineering and Mathematics Network**

[www.stemnet.org.uk](http://www.stemnet.org.uk)

**Federation of Small Businesses**

[www.fsb.org.uk](http://www.fsb.org.uk)

**Federation of Education Business Links Consortia**

[www.feblc.org](http://www.feblc.org)

**Business Link**

[www.businesslink.gov.uk](http://www.businesslink.gov.uk)

**National Education Business Partnership Network**

[www.nebpn.org](http://www.nebpn.org)

**Business in the Community**

[www.bitc.org.uk](http://www.bitc.org.uk)

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# Section 9:

# Appendices

## Appendix A:

### Trustee code of conduct template

As a trustee you may be asked to sign up to a code of conduct which may look something like this:

**Accountability** Everything [organisation] does will be able to stand the test of scrutiny by the public, the media, charity regulators, members, stakeholders, funders, Parliament and the courts.

**Integrity and honesty** These will be the hallmarks of all conduct when dealing with colleagues within [organisation] and equally when dealing with individuals and institutions outside it.

**Transparency** [Organisation] strives to maintain an atmosphere of openness throughout the organisation to promote confidence of the public, stakeholders, staff, charity regulators and Parliament. I agree to the following points:

#### Law, mission, policies

- I will not break the law or go against charity regulations in any aspect of my role of trustee
- I will support the mission and consider myself its guardian
- I will abide by organisational policies.

#### Conflicts of interest

- I will always strive to act in the best interests of the organisation
- I will declare any conflict of interest, or any circumstance that might be viewed by others as a conflict of interest, as soon as it arises
- I will submit to the judgment of the board and do as it requires regarding potential conflicts of interest.

#### Person to person

- I will not break the law, go against charity regulations or act in disregard of organisational policies in my relationships with fellow trustees, staff, volunteers, members, service recipients, contractors or anyone I come into contact with in my role as trustee
- I will strive to establish respectful, collegial and courteous relationships with all I come into contact with in my role as trustee.

#### Protecting the organisation's reputation

- As far as possible, I will not speak as a trustee of this organisation to the media or in a public forum without the prior knowledge and approval of the CEO or Chair
- When prior consent has not been obtained, I will inform the Chair or CEO at once when I have spoken as a trustee of this organisation to the media or in a public forum
- When I am speaking as a trustee of this organisation, my comments will reflect current organisational policy even when these do not agree with my personal views
- When speaking as a private citizen I will strive to uphold the reputation of the organisation and those who work in it
- I will respect organisational, board and individual confidentiality
- I will take an active interest in the organisation's public image, noting news articles, books, television programmes and the like about the organisation, about similar organisations or about important issues for the organisation.

#### Personal gain

- I will not personally gain materially or financially from my role as trustee, nor will I permit others to do so as a result of my actions or negligence
- I will document expenses and seek reimbursement according to procedure
- I will not accept substantial gifts or hospitality without prior consent of the Chair
- I will use organisational resources responsibly, when authorised, in accordance with procedure.

### In the boardroom

- I will strive to embody the principles of leadership in all my actions and live up to the trust placed in me by (organisation)
- I will abide by board governance procedures and practices
- I will strive to attend all board meetings, giving apologies ahead of time to the Chair if unable to attend
- I will study the agenda and other information sent me in good time prior to the meeting and be prepared to debate and vote on agenda items during the meeting
- I will honour the authority of the Chair and respect his or her role as meeting leader
- I will engage in debate and voting in meetings according to procedure, maintaining a respectful attitude toward the opinions of others while making my voice heard
- I will accept a majority board vote on an issue as decisive and final
- I will maintain confidentiality about what goes on in the boardroom unless authorised by the Chair or board to speak of it.

### Enhancing governance

- I will participate in induction, training and development activities for trustees
- I will continually seek ways to improve board governance practice
- I will strive to identify good candidates for trusteeship and appoint new trustees on the basis of merit
- I will support the Chair in his/her efforts to improve his/her leadership skills
- I will support the CEO in his/her executive role and, with my fellow board members, seek development opportunities for him/her.

### Leaving the board

- I understand that substantial breach of any part of this code may result in my removal from the trustee board
- Should I resign from the board I will inform the Chair in advance in writing, stating my reasons for resigning. Additionally, I will participate in an exit interview.

## Appendix B:

### Terms of reference for subcommittees and working parties template

All sub-committees and working parties need terms of reference that give a clear indication of what is expected and to whom the group is accountable. Terms of reference should include the following:

**Name** Give the committee or group a name.

**Membership** Include the office where appropriate (e.g. the honorary treasurer and three trustees) and voting rights.

**Purpose** Write brief statement of why the committee exists.

**Delegated authority** State whether it has decision-making powers or is purely advisory.

**Frequency** Determine how often meetings are to be held.

**Duration** Determine the maximum length of meetings.

**Chair** Identify the name or office of person acting as the chair.

**Serviced by** Identify person acting as secretary or minute-taker.

**Reporting procedure** State the committee or board to whom it must report.

**Quorum** Fix the minimum number of people who must be present at a meeting, including any specific offices. (For example: “Five members of the sub-committee including at least three trustees and either the chair or vice-chair”).

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