



# ACES ACADEMIES TRUST

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## Frequently Asked Questions

### **What is a Multi-Academy Trust?**

GOV.UK defines a Multi-Academy Trust (“MAT”) as “a not-for-profit company that operates a number of schools”. The MAT is set up purely for the purpose of running and improving schools, which are state-funded. The MAT employs staff to support the schools and is run by Trustees. Trustees are volunteers who are chosen for their skills (education, accountancy, law etc) and who are legally accountable to the Department for Education.

### **How much are Trustees paid?**

Nothing. They are unpaid volunteers rather like School Governors.

### **So how do Trustees benefit from running the trust?**

Trustees are not allowed to run the trust for their own private interest, they do so to advance education for public benefit. Trustees have a legal responsibility for running the trust and have to follow strict rules on conflicts of interest.

### **How do you become a trustee?**

Trustees are selected based on the knowledge and experience they bring to the role. A MAT is a large and complex organisation, so trustees bring their professional skills to help the trust run the schools as efficiently and effectively as possible to provide the very best education for the children.

### **Does the trust make any profits?**

No, trusts are education charities and are not allowed to make profits, pay dividends or distribute income to anybody, including trustees. If there are surplus funds, these are reinvested into the schools to improve the quality of education.

### **The ACES MAT has “reserves”, what are they?**

Trusts keep a portion of their budget for the coming year as “emergency funds” to deal with unexpected events (Local Authority schools do exactly the same). For Multi-Academy Trusts, this is required to be at least 5% of total income. The actual level of reserves depends on a number of factors including the needs of the academies within the trust and future plans, risks or opportunities.

### **How big are the reserves at ACES?**

ACES Academies Trust hold 8% in reserves which is about £1.5m.

### **That’s a lot of money, why don’t you spend it?**

We draw on our reserves to fund projects for individual schools and for Trust wide projects. For example, Trustees recently agreed to spend £200,000 to support pupils with Special Educational Needs and/Disabilities (SEND) and behavioural needs across the five schools within the trust. In the last year, £130,000 was spent on building additional toilet facilities at Hinchingsbrooke. After the Covid pandemic we used some to reward our staff for doing such a magnificent job in incredibly difficult circumstances.

However, the Trust has to be cautious and make sure it has the money to deal with any unforeseen circumstances. For example, during the pandemic, the trust spent £40,000 on laptops to allow disadvantaged students to access their learning remotely.

### **Who owns the buildings and property at the school?**

Trusts can use buildings and land in various ways, but most rent them from the local authority on a long lease on a peppercorn rent. Although the trust does not own the buildings, it is responsible for maintaining them.

### **Can they be sold off for profit?**

In theory if we owned the land rather than leased it the answer would be yes. However, there are strict legal controls on selling school publicly funded land and permission is needed from The Secretary of State for Education. They can impose strict conditions to protect the taxpayer, like paying back any money raised.

### **Who is in charge at the trust.**

The board of trustees is the decision-making body of the academy trust and is responsible for all the schools equally within the trust. The CEO and other senior staff are accountable to the board of trustees. The academy trust is also the employer of any central staff and those within its academies.

### **Who is the board of trustees accountable to?**

Trusts are held to account by the Education and Skills Funding Agency (ESFA), Ofsted and Regional Directors at the Department of Education. School trusts are required to have an independent audit annually and to publish their accounts. The accounts are available online and include the pay of senior staff.

If the ESFA investigates a trust, the investigation report is published on the government's website for all to see – ACES has not been subject to such an investigation. Local authority schools do not have to do this; the obligation for transparency and accountability is much greater for academy trusts.

There are also 3 'Members' who have certain powers, for example to remove trustees if things go wrong and who need to sign off certain legal documents.

### **How can the trust justify the salaries of senior staff?**

The trust is a large company with over 400 employees, mainly teachers. The leaders of any organisation of this size whether it is a multi-academy trust, charity or business, have huge responsibilities and competitive salaries are set by the trust to attract high quality staff. These salaries are subject to annual review by the Department for Education.

### **Where do schools get their money from?**

Most of the money for schools comes from a general annual grant (GAG) where an amount of money is paid for each student who attends the school.

### **What is a "top slice"?**

Before becoming academies, most schools paid a percentage of their budget to contribute to the work of the Local Authority. This is called a "top slice".

In a Multi-Academy Trust, the "top slice" works in a very similar way. Each school within the trust will pay a percentage of their GAG funding to the trust to cover the running costs for the trust. This gives economies of scale for example where one member of trust staff can do the payroll for all the schools in the trust. It also allows the trust to negotiate a better deal on contracts with external companies, such as cleaning. Any savings directly benefit the schools within the trust.



## What is the “top slice” spent on?

The top-slice will be used to fund the following expenditure on behalf of the schools within the trust:

- Strategic Management
- School Improvement Support
- SEND and High Needs Provision
- Strategic HR Support
- Operational HR Support
- Recruitment Support
- Financial Management
- Strategic Estates Management including maintenance of a Grade 1 listed building
- Operational Estates Management including grounds, electrical, and plumbing (excluding caretaking services)
- Estates development and project management
- Expert Safeguarding Support, training, and Audit costs
- Educational Psychologist Services (EPS)
- Employee Assistance Scheme
- Trust wide Server, Internet provision & telephony Services
- Trust wide Microsoft licensing
- Trust wide Cyber Security and Anti Virus and maintenance/development of the Trust Microsoft SharePoint site
- Annual External Audit & Teachers Pension Audit
- Internal Assurance
- Legal Services
- Health and Safety Support (incl. fire risk assessments)
- Completion of Education and Skills Funding Agency (ESFA) returns
- Bank charges
- Tri-Annual actuary re-valuation fees
- Finance Software Hosting fees
- MIS Software Hosting Fees
- In-house Leadership & Staff Development Training
- National College CPD subscription
- Governance Support Services
- Comprehensive Governors training package
- Payroll administration and Teacher Pension returns
- Trust Website design and compliance
- Data Protection Officer Services



### **Why is ACES Academies Trust seeking to expand?**

Since forming in 2018, the plan has been for ACES to be a MAT with more than one secondary school. Most of the secondary schools in Cambridgeshire and surrounding areas are already part of other multi-academy academy trusts, so we are seeking to merge with another trust.

Although there will be further economies of scale, the most significant benefits are educational. Being part of a larger trust will allow Hinchingsbrooke School to collaborate with other secondary schools, sharing best practice and improving educational outcomes for all students in the trust thus gaining the benefits already seen across the primary schools within ACES. In addition, larger trusts can offer better opportunities for staff to progress their careers within the trust.

### **If it is so important, why haven't ACES merged already?**

In the last 6 years, there have been a number of attempts to secure a merger. Unfortunately, the due diligence process found that these were unsuitable matches. After the last attempt to merge, ACES trustees considered whether to continue this course of action. Having weighed up the pros and cons of staying as we are or joining another trust, the trustees have decided that merger remains the best option. Our Headteachers and Trust Leaders have chosen a list of trusts we think could be a good match and we will be shortlisting them soon to decide which would merit us undertaking an in-depth due diligence process.

