National Governance Association

The independent organisation for school governors, trustees and clerks

Governing in a multi academy trust

School Governance 2020

www.nga.org.uk/governance2020

September 2020

Visible Governance in schools

Foreword

Just over 40% of volunteers involved in school governance are now governing academies, and the lion's share of them (over 80%) are within multi academy trusts (MATS). This report demonstrates once again that volunteers governing MATs as trustees or at academy level, by and large responded in the same way to the extensive set of questions on our 2020 survey as those governing a single academy trust or a local authority maintained school. They have very similar demography, the same motivations, and largely the same experiences, views and concerns.

There are five other reports in this survey series where we mention differences by school structure and phase, but the main differences manifest themselves between regions. This survey cannot provide robust local data, and we know that every school and trust has its own story, but there are themes emerging. We wrote about these topics last year in ***Moving MATs forward: the power of governance***, but this report adds to the evidence base.

Although balancing the budget is the concern mentioned by more MAT trustees and academy committee members than any other issue, the percentage of those in MATs (34%) choosing it is lower than the 43% governing maintained schools. This is significant as we have captured the first inkling that the advantages of financial management across one organisation with a group of schools may have materialised, at least for some. This is confirmed by the finding that just over half of MATs with 10 or fewer schools who plan to grow have taken financial advantages into consideration. Over the past decade there have been many inconclusive discussions about whether there is an optimal size for a MAT.

The big challenge in governing a MAT is not charity and company law – charities have been around a very long time and there is much experience and resources (including NGA's!) – but in knowing how much the trustees and the executive should delegate to academy level and how much the board of trustees must see and decide for themselves. Over the years the role of academy committees has been widely debated with some predictions of their demise, but in 2020 we see their existence in almost all MATs with 10 or under schools, but with 11% of larger MATs going without academy level governance.

Most of those governing at academy level were positive about their MAT and the way their voices were heard by their trustees. Overall communication between the layers of governance appears to be improving, but there are still too many relying on individuals governing at more than one layer to be that conduit of information. This is not a healthy model and can introduce conflicts of interest.

There is also some progress with those at academy level understanding that the MAT is one organisation and accepting that resources may be shared across the trust.

Executive pay decisions taken by boards of trustees in both single academy trusts and MATs has been another controversial issue, and this survey demonstrates that boards are not consistently looking beyond basic salary and considering the whole cost of the package, nor are many boards considering the differentials with other members of staff.

We know from NGA's extensive work with MATs that in some organisations governance is working extremely well, but in many that process of reviewing governance still needs to be taken seriously. There is much practice to learn from, and as with governance in all sectors, it is the people, their understanding of the role and responsibility, their commitment, their behaviours in and outside meetings, and the strength of their relationships amongst the board and with senior executive leaders that make the difference.

Emma Knights, chief executive
National Governance Association

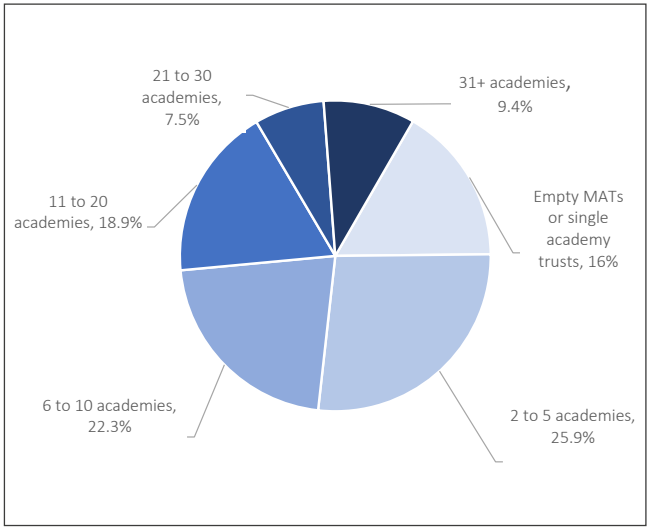
Introduction

Over the past ten years many schools in England have converted to academy status and increasingly belong to multi academy trusts (MAT). 43% of state funded schools in England are academies (including free schools, studio schools and university technical colleges), consisting of 78% of secondary schools and 36% of primary schools. This means that currently 53% of pupils studying in state-funded schools in England are in academies and free schools. 84% of those academies are now part of a multi academy trust of two or more trusts (MAT).

This has significant implications for governance. Academy trusts must have a board of trustees who also act as company directors and are accountable in law for all decisions about their academies. Through a scheme of delegation a MAT board delegates key responsibilities to academy committees, also known as local governing bodies, which may be in place for one or more schools within the trust. NGA tries to avoid the term 'local governing bodies' as it can be perceived as suggesting the school tier of a MAT's governance structure is equivalent to governing a standalone maintained school while, in fact, those governing at local level only make the decisions delegated to them by the trust board. This can sometimes mean they may hold no decision making powers at all. The way this is done in MATs differs, and this report sheds some light on local governance within MATs.

The annual school governance survey has been running since 2011 and is the largest survey of its kind. The respondents include 1,862 trustees of which 765 govern in single academy trusts and 1,097 on MAT boards. Between them the trustees of MATs were responsible for a maximum of 7,000 state schools. In addition, there were 799 respondents who governed on an academy committee within a MAT, although as the survey is anonymous we do not know whether they are at the same trusts to our trustee respondents. This report focuses on the answers from respondents governing in MAT settings, including those at trust board level and those on academy committees.

As well as the questions asked of all governors and trustees, MAT and academy committee respondents were also asked about local governance and the role of trust members, communication between the layers of governance of the MAT, perceptions of being within a MAT, how trust boards determine CEO pay their views and experiences on MAT growth.



In this series

- **Leadership and staffing**
- **Finance and funding**
- **Governance volunteers**
- **Governance practice**
- **Multi academy trust governance**
- **Pupils, communities and accountability**

Find the full series of School Governance in 2020 reports at www.nga.org.uk/governance2020

Number of academies and pupils in academies, 2015/16 to 2019/20

		2015/16	2016/17	2017/18	2018/19	2019/20
Number of schools	Academy	5,425	6,345	7,469	8,398	9,041
	LA Maintained	16,552	15,639	14,527	13,606	12,988
Headcount – total	Academy	3,017,849	3,386,775	3,794,964	4,157,953	4,421,118
	LA Maintained	4,958,662	4,699,037	4,358,261	4,080,856	3,892,370

Key findings

Here's what MAT trustees and academy committee respondents told us about their governance structures, their experiences of governing in a MAT and their views on the future of their MAT.

01 Balancing the budget is the biggest issue facing MAT trustees and academy committee members, but it is significant that the percentage of those in MATs choosing it (34%) is lower than the 43% of those governing maintained schools.

02 Local governance arrangements are an integral part of MAT governance structures: 87% of MAT trustees overall report having a local tier of governance for schools within their MAT. But while just 2% of MATs with 10 or fewer academies said they didn't have local academy committees in each school, this increased to 11% for MATs with 21 academies and over.

03 A considerable yet reducing number of MATs still rely on overlapping layers of governance in which people serve on more than one layer for communication purposes: 54% of MAT chairs report also being a member of their trust and 33% of other non-chairing trustees say the same. One third of MAT trustees also reported that some trustees on the board also govern at local level.

04 An increasing number of academy committee members are positive about their MAT, with 73% of those governing at local level agreeing that their voices were heard by executive leaders and trustees in the decision making process, compared to 57% in 2019. Academy committee members of schools graded 'outstanding' and 'good' by Ofsted reflected even more positively on their MAT.

05 Nearly half of individuals on local tiers of governance support the idea of sharing resources with other schools within the MAT (49%).

06 The factors least likely to be used to determine executive pay are pension costs and benefits (17%) and the ratio between the highest and lowest paid in an organisation (15%), demonstrating that a consistent picture of looking beyond basic salary and considering the whole cost of the package has not yet emerged.

07 Over half of MAT trustees report that their board plans to increase the number of academies within the MAT (53%), while a third were unsure (34%) and only 13% reported they definitely were not planning to expand their MAT.

08 Half of trustees whose MATs were planning to increase the number of academies cited finance and resourcing as a reason for expansion (48%), with those governing smaller MATs almost twice as likely to report this motivation than those governing larger MATs.

09 Interest in joining a MAT from those governing schools who are currently not part of one is low compared to previous years. 75% of maintained schools and 58% of single academy trusts had either decided against joining a MAT or not considered joining one in the last year.

Findings

- Governance structures and communication
- Perceptions of being within a MAT
- Determining senior executive leader pay
- MAT growth and perceptions on academisation

Governance structures and communication

Local governance arrangements remain an integral part of MAT governance structures with 87% of MAT trustees reporting having a local tier of governance for schools within their MAT. Nine in 10 respondents had an academy committee for each school within their MAT with only one in 10 utilising a cluster/hub model with academy committees serving multiple schools. However, this was a more common trend for larger MATs, with 11 academies and over as shown in figure 1.

The fact that some trustees were unsure of their governance at local level is concerning, and indicates that a more comprehensive induction which covers the scheme of delegation is needed.

In regard to how they communicate between tiers of governance across the organisation, MAT trustees reported using varying practices:

1. Internal briefings (eg newsletter) for those governing/in management: 55%
2. Consistent clerking (using the same clerk for communication): 52%
3. Trustees sitting/governing/observing at a local level: 50%
4. Regular cross-MAT network events: 46%
5. Trustees who are also members of the trust: 32%
6. Executives who are also trustees and/or members: 29%
7. A governance manager/professional to co-ordinate governance: 28%

As shown in figures 2 and 3, there is also some correlation between how trust boards communicate with other tiers and their size.

	2 to 5 academies	6 to 10 academies	11 to 20 academies	21 academies and over
Academy committees for each school	87%	80%	69%	68%
Cluster/hub committees for groups of schools	6%	10%	14%	11%
No local committees	2%	2%	8%	11%
Unsure	5%	7%	8%	10%

Figure 1, table showing proportion of MAT trustee respondents with local governance structures by MAT size

Those governing in larger MATs reported using more formal communication channels such as internal briefings, cross-MAT networks and the employment of a governance manager or professional to co-ordinate governance across the organisation. Meanwhile, trustees of smaller MATs typically relied upon overlapping layers of governance (eg those governing at local and trust board level and trustees/ executives who are also members of the trust).

Some MAT trustees reported that they were members of their trust as well, particularly chairs of the board with 54% of MAT chairs reporting that they were members compared to 33% of non-MAT chairs. This shows that lines of accountability in MAT governance continue to be blurred, which can and does negatively impact transparent decision making as well as creating governance workload issues.

Perceptions of being within a MAT

Viewing the MAT as a single organisation is one of the major hurdles for the sector. Failure to create a 'one organisation' mentality can undermine the authority of the executive team and trust board and can lead to misunderstanding surrounding who is accountable and in charge of individual schools. Respondents governing at academy committee level were asked whether they agreed or disagreed with various statements about their MAT. Respondents had more mixed views on their MAT's stakeholder engagement and communication across those involved in governance.

- 73% agreed or strongly agreed that their voices are heard by executives and trustees in the decision-making process;
- 71% agreed or strongly agreed that they were happy with the current level of responsibilities delegated to them by the board of trustees;
- 64% agreed or strongly agreed that their MAT was effectively engaged with parents and the wider community;
- 58% agreed or strongly agreed that communication between the local and trust level is effective and managed well.

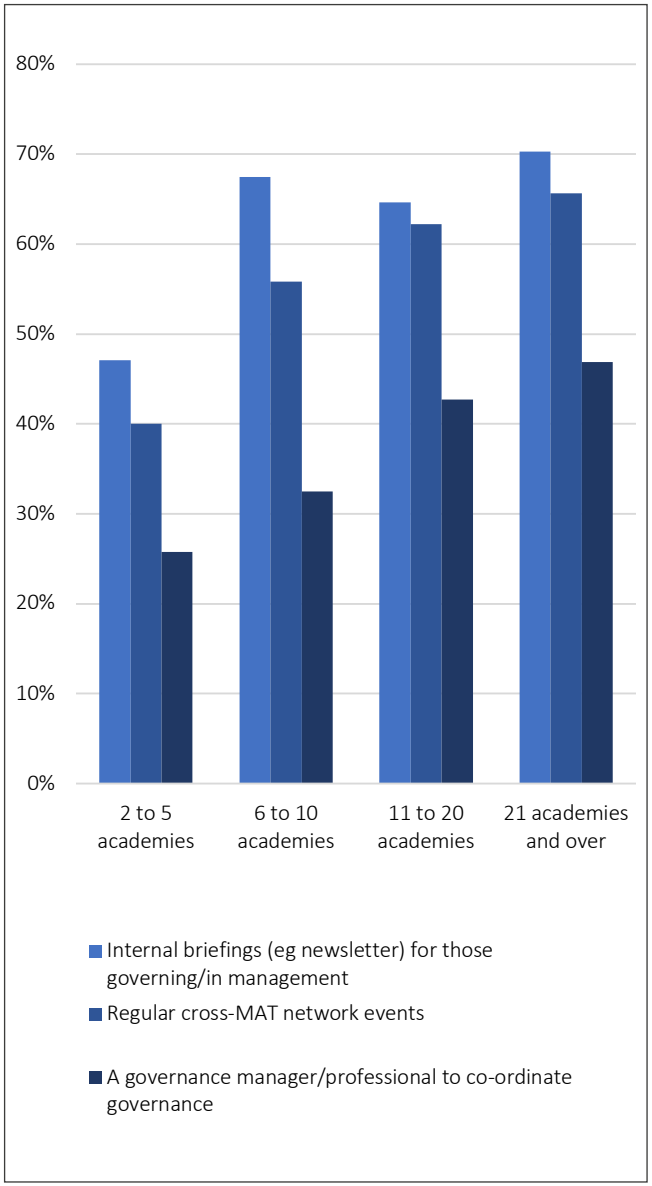


Figure 2, communication methods which largely increase in usage by an increase in MAT size

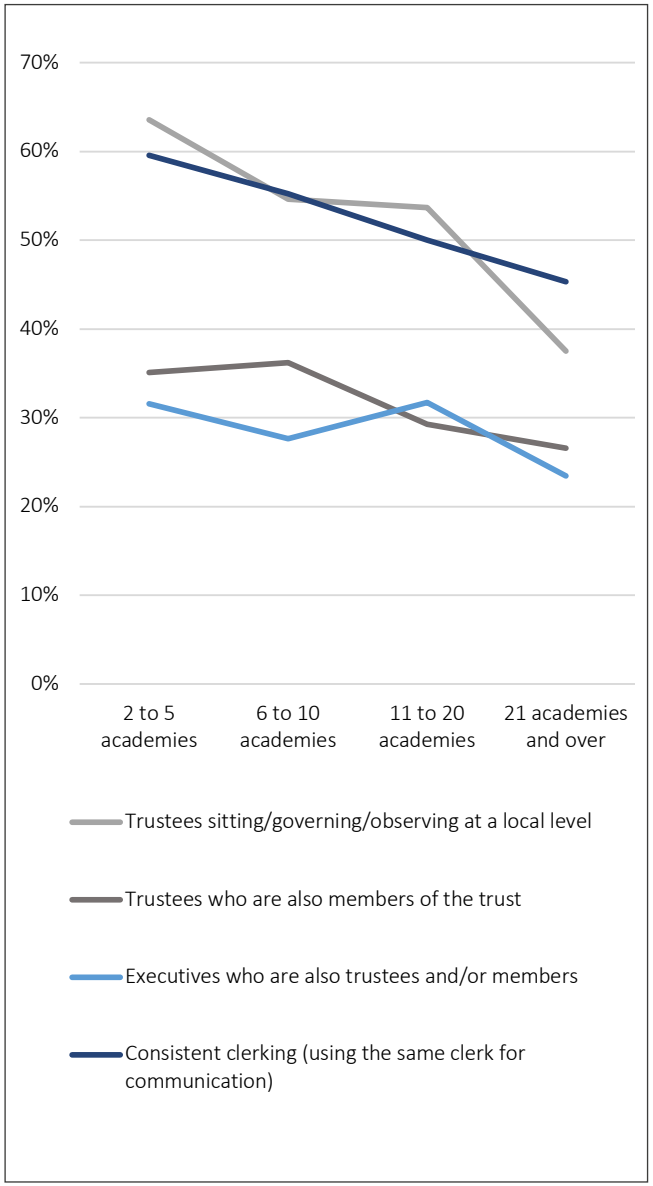


Figure 3, communication methods which largely decrease in usage by an increase in MAT size

More respondents support the idea of sharing their individual school's resources across the MAT than oppose it. Nearly half of respondents are in favour of pooling resources with other schools within the MAT (49%), whereas only 28% oppose it and 23% have no view.

There was also variation in the views of those governing schools with differing Ofsted grades, with academy committee members governing schools graded 'requires improvement' and 'inadequate' considerably less likely to reflect positively about their MAT as seen in figure 4. There was a steady decline, for example, in the proportion of respondents who agreed their voices were heard with 75% of respondents from 'outstanding' schools agreeing that their voices were heard, falling to 73% of 'good' school respondents, down to 69% for 'requires improvement', school respondents and to 58% for those governing 'inadequate' schools. Stakeholder engagement by the MAT was also viewed less positively with only 42% of respondents governing in 'inadequate' and 58% from 'requires improvement' schools agreeing that their MAT was effectively engaging with parents and the wider school community compared with 64% of respondents from 'good' schools and 67% from 'outstanding' schools.

Determining senior executive leader pay

Nearly three quarters of MAT trustees reported that they decide their senior lead executive's (SEL) pay based on the performance of the lead executive (72%) while, despite trusts not having to legally adhere to the document, many reported using the School Teachers Pay and Conditions document (STPCD) (63%). Just over half reported considering the trust's ethos and vision (52%), benchmarking with other similarly sized MATs (51%) and organisational affordability (51%) in their decision. The factors least likely to be used are the pension costs and benefits (17%) and the ratio between the highest and lowest paid in their organisation (15%).

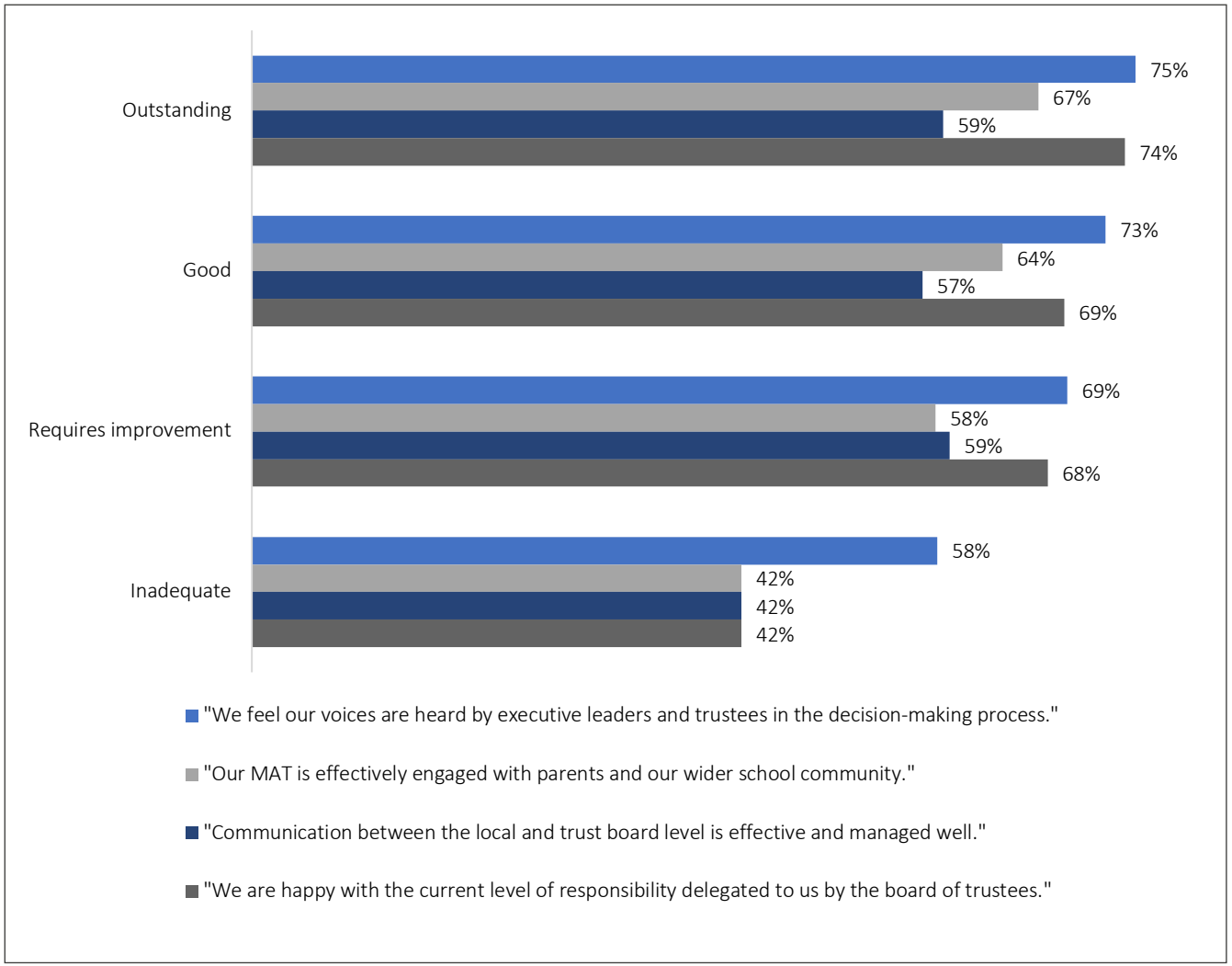


Figure 4, bar graph of proportion of academy committee members agreeing with statements about their own MAT

As seen in figure 5, the STPCD was more likely to be used by MAT trustees with 10 academies and fewer compared with those in MATs with 11 academies or more while trustees of smaller MATs were also more likely to benchmark with MATs of similar sizes and make their decision based on the performance of their lead executive. Larger MATs were also more likely to take into account organisational affordability than smaller MATs.

MAT growth and perceptions on academisation

Over half of MAT trustees surveyed report that their board is planning to increase the number of academies within their MAT (53%) while a third reported that they were unsure (34%). Only 13% of MAT trustees reported that they were not planning to expand their MAT.

Meanwhile, 42% of respondents report that their MAT had grown in size within the last year and those that reported this were also more likely to report planning to increase again in the near future than those who had not expanded their MAT in the past year (64% vs 54%).

Those governing in smaller MATs were more likely to report that they planned to expand their MAT further than those governing in larger MATs as seen in figure 6.

Among the reasons given for wanting to increase the number of academies within their MAT, trustees said:

1. Improving outcomes for more pupils: 73%
2. Growth is part of the trust's strategy: 63%
3. Finances and resourcing: 48%
4. Wanting to reach an 'optimal' size: 48%
5. There are suitable schools who wish to join: 43%
6. Asked to expand by the regional schools' commissioner (RSC) and/or Department for Education (DfE): 18%

	Under 5 academies	6 to 10 academies	11 to 20 academies	21 academies and over
The School Teachers Pay and Conditions document	78%	68%	65%	59%
Benchmarking with other MATs of a similar size	59%	58%	58%	41%
The ratio between the highest and lowest paid in the organisation	18%	17%	21%	7%
Organisational affordability	58%	58%	57%	62%
Pension costs and other benefits (eg health care, cars etc.)	20%	20%	16%	14%
Performance of the lead executive	86%	82%	74%	66%
The trust's ethos and vision	60%	63%	53%	59%

Figure 5, table showing how MAT trustees determine SEL pay by size of respondent's MAT

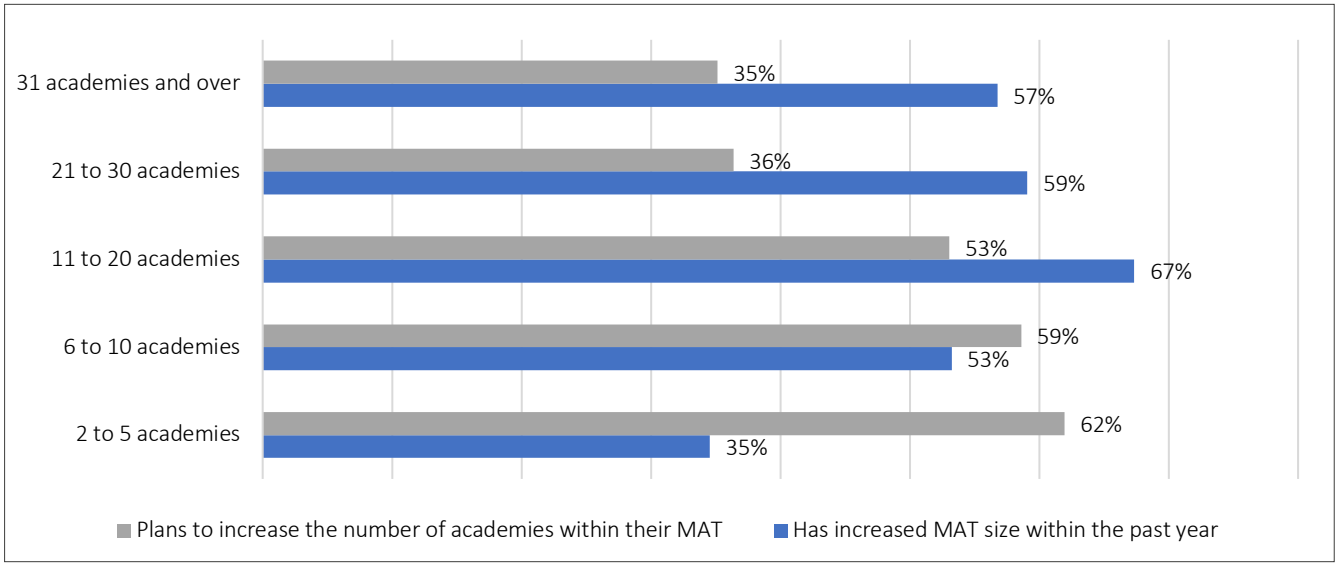


Figure 6, proportion of respondents governing in MATs of varying sizes and whether they planned to expand and/or had expanded within the past year.

The size of a respondent's MAT seemed to affect their reasoning behind preferring expansion. Figure 7 shows a considerable difference with those governing MATs with 10 or fewer academies almost twice more likely to report finances and resources as a reason compared with those governing MATs with 11 academies and over. Trustees of smaller MATs were also more likely to report not having reached their 'optimal' size as a reason for expansion and that growth was part of the trust's strategy than those governing larger organisations.

Local authority maintained school governors and single academy trustees demonstrated a lack of interest in joining a MAT with over half of those surveyed reporting that their school had not considered joining a MAT (54%) while those that had considered joining a MAT rarely reported following this action through. Over three quarters of respondents whose schools had considered joining a MAT reported that they had ultimately decided against it (77%) up from 70% in 2019.

Of those who gave 'other' responses (15%), the most common response was they were considering joining a MAT but had not reached any conclusive decisions or that it was an open agenda item but was not something they were actively pursuing. A small proportion of respondents reported that they wanted to form their own MAT with schools within their area.

	5 academies and under	6 to 10 academies	11 academies and over	21 academies and over
Improving outcomes for more pupils	76%	78%	63%	73%
Growth is part of the trust's strategy	76%	54%	41%	58%
Finance and resourcing considerations	55%	51%	29%	23%
Wanting to reach 'optimal' size	55%	50%	25%	27%
There are suitable schools which wish to join	35%	54%	51%	62%
Asked by the RSC and/or DfE	19%	16%	27%	12%

Figure 7, table showing how reasons for wanting to increase size of MAT is affected by MAT size

Resources for governing boards

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KNOWLEDGE CENTRE

In the Knowledge Centre, you will find a variety of guidance and information on topics relating to governance and education. Resources that will help you navigate the topics covered in this report include:

Guidance

- The governing board's role in academy conversation
- 21 key questions a MAT board should ask itself
- Academy trusts: the role of members
- Guidance on schemes of delegation
- Trustee role description and person specification
- Guidance on executive pay
- Process for changing articles of association
- Governance professional role description

Research

- Moving MATs forward: the power of governance
- MAT case studies: lessons learnt by multi academy trusts
- Time to chair? Exploring the time commitments of chairs of multi academy trusts

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Methodology

These findings are the results of a survey conducted between Tuesday 21 April and Tuesday 26 May 2020. The survey was open to all governors, trustees, and academy committee members (often also called local governors) of state-funded schools in England and 6,864 individuals engaged with the survey. Participants were self-selecting and therefore this survey is not a representative sample. However, the respondents who filled in the survey broadly match the national picture, being proportional to schools in England by phase, type, school structure and region. The sample represents boards within academy structures and boards of the maintained sector proportionally within England. The proportion of MAT respondents is not shown on a regional basis due to the cross regional nature of many MATs. The respondents referred to in this report are 1,097 MAT board trustees. Between them the trustees were responsible for a maximum of 7,000 state schools. In addition, there were 799 respondents who governed on an academy committee within a MAT, although as the survey is anonymous we do not know whether they are at the same trusts to our trustee respondents.

	State-funded schools in England	Survey respondents
East of England	12%	7%
East Midlands	9%	12%
London	12%	9%
North East	5%	4%
North West	15%	20%
South East	15%	19%
South West	11%	12%
West Midlands	11%	8%
Yorkshire and Humber	10%	8%

	State-funded schools in England	Survey respondents
Nursery	2%	10%
Primary	76%	65%
Secondary	16%	21%
Special	5%	4%
Alternative provision or pupil referral unit	2%	1%

About us

The National Governance Association (NGA) is the membership organisation for governors, trustees and clerks of state schools in England.

We are an independent, not-for-profit charity that aims to improve the educational standards and wellbeing of young people by increasing the effectiveness of governing boards and promoting high standards. We are expert leaders in school and trust governance, providing information, advice and guidance, professional development and e-learning.

We represent the views of governors, trustees and clerks at a national level and work closely with, and lobby, UK government and educational bodies.

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