

DEALT FORMATION AND ACADEMY CONVERSION

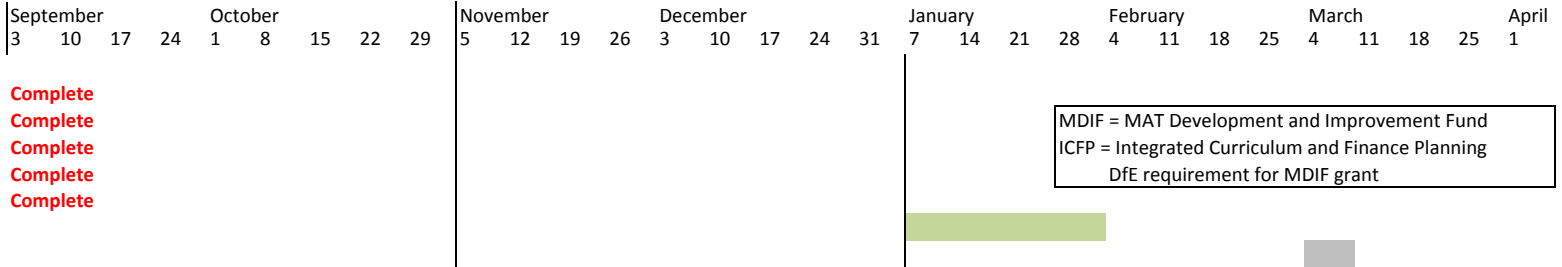
TIMELINE SEPTEMBER 2018 TO APRIL 2019

Correct at 11 December 2018

This timeline would allow DEALT to commence operation and for schools to convert on 1 April 2019.
 Dates shown in green are assumed to be the DfE deadlines for specific actions - not yet published
 This timing is not finalised. Schools will not convert until all arrangements are in place for them to do so.

Company formation - MDIF release

- Review articles of association
- DfE clears articles of association
- Company established
- DEALT bank account opened
- MDIF grant letter issued
- ICFP review
- MDIF first payment?

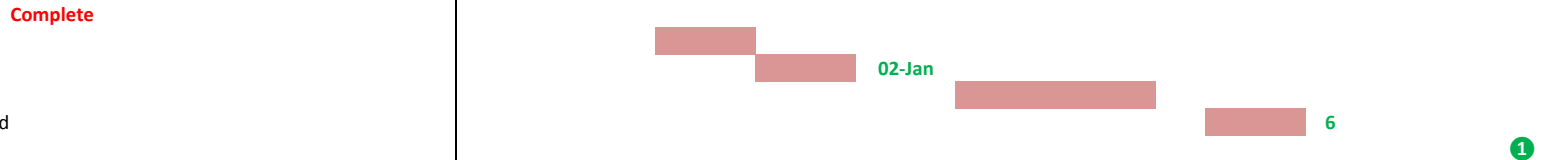


MDIF = MAT Development and Improvement Fund
 ICFP = Integrated Curriculum and Finance Planning
 DfE requirement for MDIF grant

Establishment of DEALT requires registration of a charitable limited company at Companies House. This is the company with the 5 members and initial trustees identified in the FAQ document in May. The Articles of Association for the Company use DfE model documents agreed with the Charity Commission. DfE has offered a grant to support the establishment of DEALT – in particular to cover initial central costs. In order to secure this grant the company needs to be established and to have its own bank account. Establishment of the Company does not constitute a commitment. The Company can remain empty or be wound up if schools decide not to proceed. The commitment occurs when each LGB makes a decision to proceed and funding agreements are signed.

Trust establishment

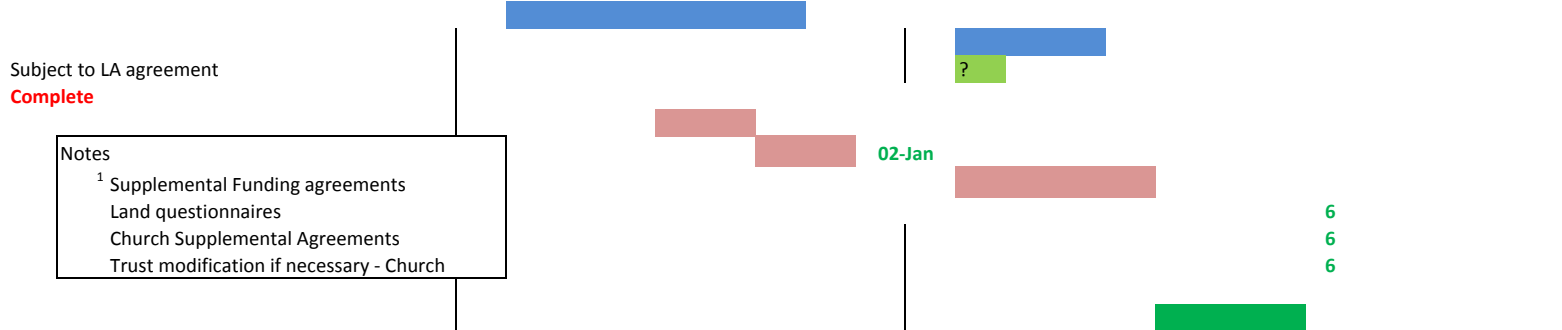
- Draft master funding agreement
- Review master funding agreement
- Master funding agreement submitted to DfE
- DfE clears master funding agreement
- Master funding agreement signed and submitted
- Master funding agreement comes into force



The key legal document that every Academy Trust enters into is a funding agreement with the Secretary of State for Education for MATs this is a master funding agreement and supplemental funding agreements. These are contracts setting out the obligations placed on academy trusts in return for continued public funding and also use DfE models.

School conversions

- Information gathering: PM
- PM meets site trustees (church schools)
- Meeting LA to discuss process
- Draft supplemental funding agreements
- Review supplemental funding agreements
- First legal documents submitted¹
- DfE clears documents
- Supplemental funding agreements signed
- Church supplemental agreements signed
- Signed agreements submitted to DfE
- Governors confirm agreement to convert



Notes
¹ Supplemental Funding agreements
 Land questionnaires
 Church Supplemental Agreements
 Trust modification if necessary - Church

September 3 10 17 24 October 1 8 15 22 29 November 5 12 19 26 December 3 10 17 24 31 January 7 14 21 28 February 4 11 18 25 March 4 11 18 25 April 1

Scheme of delegation

Scheme finalised
Scheme comes into force

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Budget review

PM, CEO, schools review budgets
Steering group review

Staff transfer

TUPE consultation
TUPE due diligence
LG pensions actions

Staff employed in the 7 schools have their terms and conditions protected by TUPE Regulations on their transfer to DEALT. Pensions also transfer

Tbc with KCC

Business transfer

Schools list contracts
Lawyers negotiate CTA with KCC
Lawyers negotiate leases with KCC
CTAs and leases agreed and signed

Complete
CTA = commercial transfer agreement

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Formal arrangements are put in place for the Academy Trust to be able to use land occupied by the schools. All land owned by the local authority is leased to the Academy Trust for a period of 125 years. All land held in Trust for Church of England schools is made available using a church supplemental land agreement. A new lease will be required for the playing field at Sholden which is rented from a private landowner. The terms of leases and land agreements are negotiated by lawyers acting for the schools, site trustees and DEALT with lawyers acting for KCC. A Commercial Transfer Agreement is put in place between the LA, the current governors and DEALT covering the transfer of staff, pension responsibilities, assets, liabilities and contracts. The terms of these agreements are negotiated by lawyers acting for DEALT with lawyers acting for KCC. These processes will be undertaken across the Spring term – and be in place as required to allow each school to convert.

Recruit CFO
Decision on finance system
Decision on insurance
Identify and appoint accountants

Complete
Complete
Complete

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A Chief Financial Officer will support schools in managing budgets, replacing support that some schools pay for, and manage DEALT budgets centrally. The CFO will also lead on establishing new contract arrangements and securing economies of scale. Auditors are required to audit the Trust's accounts, supporting transparency.

Bank account details to ESFA

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DEALT COMMENCES
Schools convert

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