



Department
for Education

Lancaster University School of Mathematics: single funding agreement

May 2021 v.1

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SUMMARY

Information about the Academy:

Name of Academy Trust	The Rigby Education Trust
Company number	12098063
Name of academy	Lancaster University School of Mathematics
Opening date	01 September 2022
Type of academy (indicate whether free school, academy, etc)	Free school
Name of predecessor institution (where applicable)	N/A
Capacity	260 pupils when full
Age range	16 to 19 years
Number of boarding places	N/A
Land arrangements (Version 1-8 or other)	Version 8
Address of Land	<p>Permanent Land</p> <p>Barry House, London Road, Preston, PR1 4DE as shown edged red on the plan attached at Annex B</p> <p>Temporary Land</p> <p>The rooms at St Augustine Building, St Austin's Place, Preston, PR1 3YJ as shown edged red on the plan attached at Annex C</p>
Contact details for the Chair of Board of Charity Trustees	Leonard Hampson, The Rigby Education Trust, c/o Cardinal Newman College, Larkhill Road, Preston, England, PR1 4HD

Please confirm which clause variations have been applied or marked as 'Not used'

Clause No	Descriptor	Applied	Not used
1.21	Only applies to free schools and new provision academies	Yes	-
2.18	Only applies where there was a predecessor institution	-	Not used
2.19	Only applies where the academy provides boarding	-	Not used
3.21	Clause does not apply to academy converters	Yes	-
3.33	Clause only applies to full sponsored and intermediate sponsored academies with approved Academy Action Plans	-	Not used
3.34	Clause does not apply to free schools (unless there was a predecessor institution), or new provision academies	-	Not used
4.5A	Clause only applies to free schools	Yes	-
4.11	Clause to be included where relevant circumstances apply – and only in relation to academy converters	-	Not used
4.17	Clause only applies where a Start-Up Period applies to the academy	Yes	-
6.1 – 6.4	Clauses do not apply to free schools and new provision academies	-	Not used
7.6A	Clause applies only to a boarding academy/boarding free school	-	Not used
7.8	Clause only applies to sponsored academies	-	Not used
7.14	Clause applies to free schools and may be applied to new provision academies	Yes	-
7.15	Clause applies to free schools and may be applied to new provision academies	Yes	-
7.16	Clause applies to free schools and may be applied to new provision academies	Yes	-

Clause No	Descriptor	Applied	Not used
7.17	Clause applies to free schools and may be applied to new provision academies	-	Not used
7.18	Clause applies to free schools and may be applied to new provision academies	Yes	-

Please confirm whether additional clauses have been included (e.g., PFI clauses which will be supplied by your project lead if needed)

Descriptor	Clause No.	Applied	Not used

1. ESTABLISHING THE ACADEMY

Introduction to this agreement

- 1.1. This Agreement is between the Secretary of State for Education (the “**Secretary of State**”) and The Rigby Education Trust (the “**Academy Trust**”), and is an Academy agreement as defined by section 1 of the Academies Act 2010.
- 1.2. The Academy Trust is a company limited by guarantee incorporated in England and Wales with company number 12098063. The Academy Trust is a charity and its directors are the Charity Trustees of the Academy Trust.
- 1.3. In order for the Academy Trust to establish and run an educational institution in England, according to the provisions of the Academies Act 2010, to be known as the Lancaster University School of Mathematics (the “**Academy**”), and in order for the Secretary of State to make payments to the Academy Trust, the Academy Trust must meet the requirements in this Agreement.

1.4. In this Agreement these capitalised words and expressions will have the following meanings:

“**Academies Financial Handbook**” means the document with that title published by the ESFA and amended from time to time, on behalf of the Secretary of State.

“**Academy Financial Year**” means the year from 1 September to 31 August, or a different period notified in writing by the Secretary of State.

“**Articles**” means the Academy Trust’s articles of association.

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

“**Awarding organisations**” means organisations referred to as such by Ofqual.

“**Charity Trustees**” means the directors of the Academy Trust, who are responsible for the general control and management of the administration of the Academy Trust.

“**Chief Inspector**” means Her Majesty’s Chief Inspector of Education, Children’s Services and Skills.

“**Control**” means the power of an organisation or individual (‘A’) to ensure that the affairs of another organisation are conducted in accordance with A’s wishes, whether through share ownership or voting power, by agreement, because of powers conferred by articles of association or any other document, or otherwise; and “**Controls**” will be construed accordingly.

“**DfE**” and the expression “**Department**” means the Department for Education or any successor Department which has responsibility for schools.

References to “**educational institution**” shall where the context so admits be references to the Academy.

“**ESFA**” means the Education and Skills Funding Agency.

“**Guidance**” means guidance issued by or on behalf of the Secretary of State, as amended from time to time.

“Individualised Learner Record” is a dataset that collects information on learners and their learning in the Further Education system in England.

“LA” means a local authority.

“Parents” means parents¹ or guardians.

“Predecessor Institution” means the educational institution which the Academy has replaced, where applicable.

“Publicly Funded Assets” means (a) assets or property funded wholly or partly using payments made by or on behalf of the Secretary of State, and (b) publicly funded land as defined in paragraph 22(3) of Schedule 1 to the Academies Act 2010.

Any reference to **“Secretary of State”** includes a reference to the ESFA acting on the Secretary of State’s behalf.

“Secretary of State’s consent” means the Secretary of State’s specific, prior written consent, which will not be unreasonably withheld or delayed.

“SEN” means special educational needs and has the meaning set out in section 20(1) of the Children and Families Act 2014.

“Start-Up Period” means a period of two Academy Financial Years (and for the avoidance of doubt the calculation of student number count provided at clause 3.18 will be used for the third academic year in which the Academy is open, and for each year thereafter).

“Sponsor” means Lancaster University.

“Teaching Staff” means teachers and the principal or headteacher employed at the Academy.

“Termination Notice” means a notice sent by the Secretary of State to the Academy Trust, terminating this Agreement on the date specified in the notice.

“Termination Warning Notice” means a notice sent by the Secretary of State to the Academy Trust, stating his intention to terminate this Agreement.

¹ “Parent” has the meaning set out in section 576 of the Education Act 1996.

- 1.5. The Interpretation Act 1978 applies to this Agreement as it applies to an Act of Parliament.
- 1.6. A reference in this Agreement to any party or body includes its successors.
- 1.7. Any words following the terms ‘include’, ‘including’ or ‘in particular’ are by way of illustration, not limitation.
- 1.8. A reference in this Agreement to land includes any buildings or structures on the land.
- 1.9. References to this Agreement include any and all annexes.
- 1.10. Where any legislation, legal requirement or published guidance is referred to, unless otherwise stated, the following terms should be interpreted as follows:
 - a) the “**further education institution**” or “**the institution**” refers to the Academy;
 - b) the “**headteacher**” may refer to the Academy’s headteacher or principal;
 - c) the Academy Trust will be deemed to be the “**responsible authorities**”; and
 - d) references to registered students will be treated as references to registered students at the Academy.
- 1.11. References in this Agreement to any named legislation, legal requirement or published guidance, should be taken to include any amendment to or replacement of it.
- 1.12. If any questions arise about how this Agreement should be interpreted, the answer will be decided by the Secretary of State, after discussion with the Academy Trust.

General Obligations of the Academy Trust

- 1.13. The Academy Trust must ensure that the Academy meets the requirements in section 1B of the Academies Act 2010.

- 1.14. To the extent that it is compatible with the Academy Trust fulfilling its charitable purpose of advancing education in the United Kingdom for the public benefit, the Academy Trust must ensure that the Academy is at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community. This will include the Academy Trust's specialist maths outreach function with schools.
- 1.15. The Academy Trust must conduct the Academy within the terms and requirements of:
- a) the Articles;
 - b) any legislation or legal requirement that applies to 16 to 19 academies, including national minimum standards and legislation about meeting the needs of students with SEN and disability;
 - c) the Academies Financial Handbook, as stated in clauses 4.6 – 4.8; and
 - d) this Agreement.
- 1.16. The Academy Trust agrees to be bound by the prohibition against discrimination in section 85 of the Equality Act 2010.
- 1.17. The Academy Trust must ensure that, so far as is reasonably practicable, learning takes place in safe, healthy and supportive environments, which meet the needs of students.
- 1.18. Students will have the opportunity to study for qualifications in accordance with clause 2.31. There will be assessment of students' performance appropriate to the qualifications studied.
- 1.19. Admission policy and arrangements for this Academy will be formulated in accordance with clauses 2.20 - 2.21 of this Agreement.
- 1.20. There will be no charge to students (or their Parents) in respect of admission to the Academy. The Academy is only permitted to charge where:
- (i) the law allows institutions within the further education sector to charge; and
 - (ii) in accordance with this Agreement.

- 1.21. The Academy Trust must ensure that so far as is reasonably practicable and consistent with this Agreement and the Equality Act 2010, the policies and practices adopted by the Academy (in particular regarding curriculum, uniform and school food) enable students of all faiths and none to play a full part in the life of the Academy, and do not disadvantage students or Parents of any faith or none. For the avoidance of doubt, this requirement applies irrespective of the proportion of students of any faiths or none currently attending or predicted to join the school.
- 1.22. The Academy Trust is not required to publish information under this Agreement if to do so would breach its obligations under the data protection legislation.

Academy opening date

- 1.23. The Academy Trust will open the Academy on 01 September 2022.
- 1.24. The Academy Trust agrees that, prior to the Academy opening date, the Academy is an institution for the purposes of the Chief Inspector's duties under sections 118(2) and 125 of the Education and Inspections Act 2006 and, accordingly, the Chief Inspector may inspect the Academy before that date.

Governance

- 1.25. The Academy will be governed by a board comprising the Charity Trustees of the Academy Trust (the "**Board of Charity Trustees**").
- 1.26. The Board of Charity Trustees must have regard to any Guidance on the governance of academy trusts.
- 1.27. The Academy Trust must provide to the Secretary of State the names of all new or replacement Charity Trustees and members of the Academy Trust, stating whether they have been appointed or elected, the date of their appointment or election and, where applicable, the name of the Charity Trustee or member they replaced as soon as is practicable and in any event within 14 days of their appointment or election.

- 1.28. The Academy Trust must not appoint any new or replacement Charity Trustees or members until it has first informed them, and they have agreed, that their names will be shared with the Secretary of State to enable him to assess their suitability.
- 1.29. The Academy Trust must not amend or remove the provisions in its Articles relating to the appointment or election or the resignation or removal of Charity Trustees or members (the "**Governance Articles**") without the Secretary of State's consent.
- 1.30. Before any change to the Governance Articles is proposed the Academy Trust must give notice to the Secretary of State of:
- a) the proposed amendment or removal; and
 - b) the reason for it.
- 1.31. If the Secretary of State consents to the proposed changes, the Academy Trust shall approve any changes to the Articles as soon as reasonably practicable and provide the Secretary of State with a copy of the amended Articles and the resolution(s) approving them.

2. RUNNING OF THE ACADEMY

Length of academy day and year

- 2.1. The length of the Academy day and year is the responsibility of the Academy Trust.

Teachers and staff

- 2.2. The Academy Trust must comply with the obligations that apply to it by virtue of the Safeguarding and Vulnerable Groups Act 2006 in respect of, but not limited to, the performance of barred list checks.
- 2.3. The Academy Trust must comply with the Further Education (Providers of Education) (England) Regulations 2006 (SI 2006/3199) as if the Academy were a further education institution subject to the following modifications:

- a) references to “**a further education institution**” or “**the institution**” shall be treated as references to the Academy, except in regulations 9(1)(b) and 19(2)(a)(ii) where they shall have their normal meaning;
- b) the Academy Trust is not obliged to comply with any of the requirements in relation to staff qualifications namely, in section 3(2), section 5(3); section 17(1) only in so far as it relates to section 18(3); section 22 only in so far as it relates to paragraph 4 of Part 1 of the Schedule. For the avoidance of doubt, the relevant staff qualification requirements do not need to be met by members of staff at the Academy; and
- c) references to “**new member of staff**” shall include individual Charity Trustees and the Chair of the Board of Charity Trustees and in respect of them:
 - i. the obligation to carry out an enhanced disclosure and barring service check as provided for in section 5(5) will apply whether or not their position will involve a relevant activity;
 - ii. the reference in section 6 to “**considering his suitability for a position that will involve a relevant activity**” will be treated as a reference to considering his suitability for a position as a Charity Trustee or Chair of the Board of Charity Trustees, as appropriate;
 - iii. references to “**beginning work at the further education institution**” shall be treated as references to beginning work as a Charity Trustee or Chair of the Board of Charity Trustees, as appropriate;
 - iv. where the Academy Trust is required to carry out an enhanced disclosure and barring service check in respect of the Chair of the Board of Charity Trustees it must be counter signed by the Secretary of State.

- 2.4. The Academy Trust must promptly submit to the Secretary of State, on request, the information contained in any enhanced DBS certificate that it receives.
- 2.5. Subject to clause 2.6 and section 67 of the Children and Families Act 2014 the Academy Trust may, in accordance with any relevant Guidance, employ anyone it believes is suitably qualified or is otherwise eligible to plan and prepare lessons and courses for students, teach students, and assess and report on students' development, progress and attainment.
- 2.6. The Academy Trust must designate a staff member at the Academy as responsible for promoting the educational achievement of registered pupils at the Academy who are being looked after by an LA, or are no longer looked after by an LA because of an adoption, special guardianship or child arrangements order, or because they have been adopted from 'state care' outside England and Wales and in doing so must comply with the law, regulations and guidance that apply to maintained schools. The Academy Trust must ensure the designated person undertakes appropriate training and has regard to any guidance issued by the Secretary of State.
- 2.7. Pay and conditions of service for all staff, including teachers, are the responsibility of the Academy Trust.
- 2.8. The Academy Trust has a statutory duty to ensure that all teachers employed at the Academy have access to the Teachers' Pension Scheme (TPS) and, in so doing, must comply with the TPS Regulations. That includes ensuring that only staff who predominantly carry out teaching work are enrolled in the TPS – teaching work is planning and preparing lessons and courses for pupils; delivering lessons to pupils; assessing the development, progress and attainment of pupils; and reporting on the development, progress and attainment of pupils. The Board of Charity Trustees will need to give careful consideration as to whether or not executive leaders meet the TPS eligibility requirements. Details of the full range of employer duties are on the TP Employer Hub.

- 2.8.1. Access to the TPS must also be in accordance with HM Treasury's published [Fair Deal guidance](#) which sets out how pensions' issues are to be dealt with when Teaching Staff are compulsorily transferred from the public sector to independent providers. The Academy Trust has a crucial role in the successful administration of the TPS and must comply with the requirements of the scheme administrator to provide accurate and timely information and also to provide pension contributions.
- 2.9. The Academy Trust must ensure that all affected staff employed by the Academy Trust other than teachers have access to the Local Government Pension Scheme and, in doing so, the Academy Trust must comply with the requirements of the scheme and with Fair Deal for staff pensions guidance published by HM Treasury. These requirements do not apply if an individual chooses to opt out in line with the relevant legal provisions.
- 2.10. Where a member of the Teaching Staff employed at the Academy applies for a teaching post at another Academy, a maintained school, or a further education institution, the Academy Trust must at the request of the board of governors or Academy Trust of that other educational institution:
- a) advise in writing whether or not, in the previous two years, there have been any formal capability considerations or proceedings for that teacher at the Academy or the Predecessor Institution;
 - b) give written details of the concerns which gave rise to any such consideration of that teacher's capability, the duration of the proceedings and their outcome.

Students

- 2.11. The planned capacity of the Academy is 260 places in the age range of 16 to 19 years.
- 2.12. The Academy Trust must ensure that the Academy meets the needs of individual students, including students with SEN and disability.
- 2.13. Where secondary education is provided to persons of compulsory school age by the 16 to 19 Academy the Academy Trust shall secure that, except when a

teacher is present in the room, no education is provided to a person who has attained the age of nineteen years at the start of the academic year (31 August), in a room in which any persons of compulsory school age are for the time being receiving secondary education. A teacher will be considered to be present in the room at a particular time even though no teacher is present if:

- a) it would be impracticable to secure the presence of a teacher in a room at that time; and
- b) the absence of a teacher at that time has not lasted more than five minutes.

2.13a The Academy Trust will make arrangements for ensuring that the Academy is conducted with a view to safeguarding and promoting the welfare of children (those students under the age of 18) receiving education or training at the Academy or under the auspices of the Academy Trust in an environment outside the direct control of the Academy Trust. In doing so, the Academy Trust will have regard to any guidance published, from time to time, by the Secretary of State for Education which sets out the expectations in relation to safeguarding practice within further education institutions. References to 'must' in any such guidance will be treated as 'should' for the purposes of this Agreement, save for any references to legal requirements arising from the Safeguarding Vulnerable Groups Act 2006 in respect of referrals to the Disclosure and Barring Service.

Meals

2.14. The Academy Trust must comply with any guidance in relation to free meals in the further education sector, as far as it applies to the Academy.

Charging

2.15. The Academy will only make charges where institutions within the further education sector are permitted to as set out in the current 16 to 19 Funding Guidance published by the Secretary of State, or such other guidance on 16 to 19 funding issued by the Secretary of State as may from time to time be applicable.

2.16. There must be no charge for admission to or attendance at the Academy and the Academy will only charge students where the law allows institutions within the further education sector to charge.

2.16A Clause 2.16 does not prevent the Academy Trust receiving funds from an LA or a charity in respect of the admission and attendance of a pupil with SEN to the Academy.

2.17. Notwithstanding clause 2.16, the Academy Trust may charge people who are not registered students at the Academy for education provided or use of facilities.

2.18. Not used.

2.19. Not used.

Admissions

2.20. The Academy will be an educational institution principally concerned with providing full-time or part-time education suitable to the requirements of persons over compulsory school age but under 19, at the start of the academic year (31 August), whose requirements for:

- a) the admission of students to the Academy;
- b) the admission to the Academy and support for students with SEN and disability; and
- c) student exclusions,

are set out in written policies to be agreed by the Secretary of State prior to the signing of this Agreement. Such policies need to be fair, objective and transparent, and formulated in accordance with the Academy Trust's legal powers and duties in relation to 16 to 19 provision.

2.21 In respect of any policies agreed in accordance with clause 2.20:

- a) The Secretary of State agrees that the Academy Trust may vary the policies subject to the Academy Trust informing the Secretary of State

of any variation to the policies in writing as soon as reasonably practicable.

- b) The Academy Trust agrees to vary the policies as may become necessary to comply with changes to future legislation and/or as the Secretary of State may require.

Curriculum

2.22. The curriculum is the responsibility of the Academy Trust subject to the requirements of clause 2.23.

2.23. The Academy Trust must ensure that the curriculum provided is suitable to the requirements of the students with a particular emphasis on mathematics and mathematics related subjects with the assistance of the Sponsor and can also include vocational, social, physical and recreational training.

2.24. The Academy Trust must publish on the Academy's website information about its curriculum, including:

- a) the content of the curriculum;
- b) its approach to the curriculum;
- c) where applicable, the qualifications, or other future qualifications specified by the Secretary of State, offered by the Academy; and
- d) how students and Parents (including prospective students and Parents) can obtain more information about the Academy's curriculum.

2.25. The Academy Trust must not allow any view or theory to be taught as evidence-based if it is contrary to established scientific or historical evidence and explanations. This clause applies to all subjects taught at the Academy.

2.26. The Academy Trust must, where relevant, provide for the teaching of evolution as a comprehensive, coherent and extensively evidenced theory.

2.27. The Academy Trust must ensure the Academy actively promotes the fundamental British values of democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs.

- 2.28. The Academy Trust must ensure the Academy promotes principles that support equality of opportunity for all.
- 2.29. The Academy Trust must provide for:
- a) the teaching of religious education for any student at the Academy wishing to receive it; and
 - b) ensure that at an appropriate time, on at least one day each week during which the Academy is open, an act of collective worship is held which students at the Academy may attend.
- 2.30. The Academy Trust must ensure that careers guidance is provided at the Academy, in accordance with the requirements on maintained schools in the Education Act 1997. The Academy Trust must:
- a) Provide independent careers guidance in accordance with Department for Education statutory guidance that has been developed in line with the eight Gatsby benchmarks of Good Career Guidance.
 - b) Ensure that there is an opportunity for a range of education and training providers to access registered pupils in years 8-13 for the purpose of informing them about approved technical education qualifications or apprenticeships.
 - c) Publish information about their careers programme and details of their named careers leader in accordance with The School Information (England) Regulations 2008 and the accompanying Department for Education guidance, “What academies, Free schools and colleges should publish online”.

Assessment

- 2.31. The Academy Trust must ensure that students at the Academy take part in assessments of student performance appropriate to the qualifications offered by the Academy.
- 2.32. Unless specifically approved in writing by the Secretary of State, the Academy Trust must not use General Annual Grant (“**GAG**”) funding to offer any course

of education or training which leads to a qualification, if that qualification is not approved by the Secretary of State for the purpose of section 96 of the Learning and Skills Act 2000.

- 2.33. The Academy Trust must ensure that it publishes information in relation to the Academy's performance on the Academy's website as the Secretary of State may request from time to time.
- 2.34. The Secretary of State may direct the Academy to participate in international education surveys. The Academy Trust must upon receipt of that direction, participate in that survey and provide to the Secretary of State or those carrying out the survey all such assistance and information as may reasonably be required for the purpose of the Academy's participation in that survey.

3. GRANT FUNDING

Recurrent Expenditure grants

- 3.1. The Secretary of State will pay grants towards Recurrent Expenditure and may pay grants towards Capital Expenditure for the Academy.
- 3.2. "**Recurrent Expenditure**" means any money spent on the establishment, conduct, administration and maintenance of the Academy which does not fall within Capital Expenditure.
- 3.3. In respect of Recurrent Expenditure, the Secretary of State will pay General Annual Grant ("**GAG**"), and may additionally pay Earmarked Annual Grant ("**EAG**"). These are two separate and distinct grants.
- 3.4. Except with the Secretary of State's consent, the Academy Trust must not make commitments to spending which have substantial implications for future grant. No decision by the Academy Trust will commit the Secretary of State to paying any particular amount of grant.

Capital Grant

- 3.5. The Secretary of State may pay a grant ("**Capital Grant**") to the Academy Trust for the purpose of spending on items of Capital Expenditure.

3.6. **“Capital Expenditure”** means expenditure on:

- a) acquiring land and buildings;
- b) erecting, enlarging, improving or demolishing any building including any fixed plant, installation, wall, fence or other structure, or any playground or hard standing;
- c) installing electrical, mechanical or other services other than necessary repairs and maintenance due to normal wear and tear;
- d) buying vehicles;
- e) installing and equipping premises with furnishings and equipment, other than necessary repairs and maintenance due to normal wear and tear;
- f) installing and equipping premises with computers, networking for computers, operating software and ICT equipment, other than necessary updates or repairs and maintenance due to normal wear and tear;
- g) providing and equipping premises, including playing fields and other facilities for social activities and physical recreation other than necessary repairs and maintenance due to normal wear and tear;
- h) works of a permanent character other than the purchase or replacement of minor day-to-day items;
- i) any major repairs or replacements which are specified as capital expenditure in any grant letter relating to them;
- j) such other items (whether like or unlike any of the foregoing) of a substantial or enduring nature which the Secretary of State agrees are capital expenditure for the purposes of this Agreement;
- k) professional fees properly and reasonably incurred in connection with the provision of any of the above; and
- l) VAT and other taxes payable on any of the above.

- 3.7. Any Capital Grant funding that may be made available to the Academy Trust will be notified to it by the Secretary of State.
- 3.8. The Academy Trust must spend Capital Grant only on items of Capital Expenditure approved by the Secretary of State and in accordance with conditions specified by the Secretary of State. Further, the Academy Trust must provide evidence that it has obtained all planning and other consents required for any proposed building and infrastructure development to be funded using Capital Grant.
- 3.9. In order to receive payments of Capital Grant, the Academy Trust must provide supporting invoices and certificates in the format specified by the Secretary of State.
- 3.10. The Academy Trust must provide an account of Capital Grant received, and associated spending on Capital Expenditure using Capital Grant, in the Academy Trust's financial statements and any other financial reports or returns that the Secretary of State may require.
- 3.11. If in its use of Capital Grant the Academy Trust does not comply with this Agreement or any of the conditions specified by the Secretary of State, or the project does not accord with the original specification or has not been completed, the Secretary of State may at his discretion not make any further payments of Capital Grant and require the Academy Trust to repay all or part of the Capital Grant.

General Annual Grant (GAG)

- 3.12. The Secretary of State will pay GAG to the Academy Trust to cover the Academy's normal running costs or capital expenditure, including:
 - a) teachers' salaries and related costs (including pension contributions, full- and part-time Teaching Staff and payments in respect of seconded teachers);
 - b) non-Teaching Staff salaries and related costs (including pension contributions);

- c) employees' expenses;
- d) buying, maintaining, repairing and replacing teaching and learning materials and other educational equipment, including books and stationery;
- e) buying, maintaining, repairing and replacing other assets including ICT equipment and software, sports equipment and laboratory equipment and materials;
- f) examination fees;
- g) repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing and lighting); maintenance of grounds (including boundary fences and walls); insurance; cleaning materials and contract cleaning; water and sewerage; fuel and light (including electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;
- h) medical equipment and supplies;
- i) staff development (including in-service training);
- j) curriculum development;
- k) discretionary grants to students to meet the cost of student support, including support for students with SEN or disabilities (taking into account that separate additional money will be available for students with SEN or disabilities);
- l) administration; and
- m) establishment expenses and other institutional costs.

3.13. GAG for each Academy Financial Year for the Academy will include:

- a) funding in accordance with the national funding formula for the education and training of 16 to 19 year olds, determined by the Secretary of State and taking account of the number of students at the Academy;

- b) payment of any additional specific grants made available to institutions within the further education sector, where the Academy meets the criteria for those grants, and at the Secretary of State's discretion; and
- c) funding for any other costs to the Academy which the Secretary of State considers necessary.

3.14. The Academy Trust must use GAG only for maintaining, carrying on, managing and developing the Academy in accordance with this Agreement, except where the Secretary of State has given specific consent for the Academy Trust to use GAG for another charitable purpose.

3.15. In particular, the Academy Trust must not use GAG for:

- a) education and training for adults who are not students of the Academy, other than staff professional development and governance training and development;
- b) nursery provision for which Parents are charged a fee;
- c) nursery provision to children outside the Academy's age range in clause 2.11;
- d) Children's Centres; or
- e) any additional cost of providing sport and leisure facilities for a purpose not permitted in clause 3.14.

Calculation of GAG

3.16. During the Start-Up Period the basis of the student number count for the purpose of determining GAG for an Academy Financial Year for the Academy will be the Academy Trust's estimate each year for numbers on the roll in the following September for the Academy, such estimate to be based on an objective assessment of student numbers and agreed with the Secretary of State.

3.17. The Secretary of State will, in advance of each Academy Financial Year for the Academy, request that the Academy Trust provides an estimate of the

number of students on roll at the Academy in the following September for the purposes of determining GAG for an Academy Financial Year. The Academy Trust must provide the requested estimate to the Secretary of State as soon as reasonably practicable.

- 3.18. After the Start-Up Period the arrangements for calculating the student number count for the purpose of determining GAG for the Academy shall be those provided for in guidance on the national funding system published by the Secretary of State under section 15ZD of the Education Act 1996 for the relevant Academy Financial Year, in respect of persons who have reached the age of 16 but have not reached the age of 19, or are aged 19-24 and have an EHC plan.
- 3.19. For any Academy Financial Year in which GAG for the Academy has been calculated in accordance with clause 3.16 and 3.17, an adjustment may be made to the following Academy Financial Year's formula funding element of GAG for the Academy to recognise any variation from that estimate. The Secretary of State may for this purpose use the Individualised Learner Record or the school census for the Academy Financial Year in question as a means of determining student numbers. The additional or clawed-back grant will be only the amount relevant to the number of students above or below that estimate.
- 3.20. For any Academy Financial Year in which GAG for the 16 to 19 Academy is calculated in accordance with clause 3.18, no adjustment will be made to the equivalence funding element in the following Academy Financial Year's equivalence funding element of GAG. For any other element of GAG the Secretary of State may make adjustments to recognise a variation in student numbers from that used to calculate the element of grant in question; the basis of these will be set out in guidance on the national funding system published by the Secretary of State under section 15ZD of the Education Act 1996 for the relevant Academy Financial Year.
- 3.21. The Secretary of State may pay further grant in the Start-Up Period, as determined and specified by him, for costs which cannot otherwise be met from GAG.

3.22. The Secretary of State recognises that if he serves a Termination Notice or a Termination Warning Notice, the intake of new students during the notice period may decline and therefore payments based on the number of students attending the Academy may be insufficient to meet the Academy's needs. In these circumstances the Secretary of State may pay a larger GAG in the notice period, to enable the Academy to operate effectively.

Earmarked Annual Grant (EAG)

3.23. The Secretary of State may pay EAG to the Academy Trust for specific purposes, agreed between the Secretary of State and the Academy Trust, and described in the relevant funding letter. The Academy Trust must spend EAG only in accordance with that letter.

3.24. Where the Academy Trust is seeking a specific EAG for any Academy Financial Year, it must send a letter to the DfE outlining its proposals and the reasons for the request.

Arrangements for paying GAG and EAG

3.25. Before each Academy Financial Year, the Secretary of State will notify the Academy Trust of the GAG and EAG amounts which, subject to parliamentary approval, the Secretary of State plans for that Academy Financial Year and how they have been calculated.

3.26. The amount of GAG for an Academy Financial Year will be decided annually by the Secretary of State, and notified to the Academy Trust in a funding letter sent before the relevant Academy Financial Year begins (the "**Annual Letter of Funding**").

3.27. Amounts of EAG will be notified to the Academy Trust wherever possible in the Annual Letter of Funding or as soon as is practicable afterwards.

3.28. The Annual Letter of Funding will, as well as stating the grant amounts, set out how they have been calculated. It will not include grants which cannot be calculated in time because there is not enough information, or for other administrative reasons. Any such grants will be notified as soon as practicable.

3.29. The Secretary of State will pay GAG in monthly instalments on or before the first day of each month (the "**relevant month**"), to fund the salaries and other payroll costs of all monthly paid employees and all other costs payable during the relevant month. The detailed arrangements for payment will be set out in the Annual Letter of Funding, or an equivalent.

3.30. If GAG or EAG is miscalculated:

- a) because of a mistake by the Secretary of State, which leads to an underpayment to the Academy Trust, the Secretary of State will correct the underpayment in the same or subsequent Academy Financial Years;
- b) because the Academy Trust provided incorrect information, which leads to an underpayment to the Academy Trust, the Secretary of State may correct the underpayment in the same or subsequent Academy Financial Years;
- c) for any reason which results in an overpayment to the Academy Trust, the Secretary of State may recover any overpaid grant in the same or subsequent Academy Financial Years, having considered all the relevant circumstances and taking into account any representations from the Academy Trust.

Other relevant funding

3.31. The Secretary of State may pay a grant ("**Maths School Additional Funding**") to the Academy Trust for the purpose of running community outreach activities related to the specialist nature of its mathematics-related curriculum (pursuant to clause 2.23), with schools and other educational institutions in the community and for other purposes, as agreed between the Secretary of State and the Academy Trust. In the event that, the Maths School Additional Funding is paid, the specific objectives and detail of this grant, as agreed between the Secretary of State and the Academy Trust, will be described in the relevant funding letter and related guidance issued by the Secretary of State. The Academy Trust must only spend the Maths School Additional Funding in

accordance with the terms of this letter and such guidance as the Secretary of State may issue.

3.32. The Academy Trust must provide an annual review to the Secretary of State, to be provided in accordance with the related guidance (referred to in clause 3.31) issued by the Secretary of State and no later than the end of January after the end of each academic year, explaining how the specified objectives of the Maths School Additional Funding were achieved during that academic year.

3.33. Not used.

3.34. Not used.

3.35. The Academy Trust may receive additional funding from an LA under an agreement with that LA for the provision of support for students with SEN who require high levels of such support. The Academy Trust must ensure that all support required under that agreement is provided for those students.

4. FINANCIAL AND ACCOUNTING REQUIREMENTS

General

4.1. In order for the Secretary of State to provide grant funding to the Academy Trust, the Academy Trust must be fulfilling the financial and reporting requirements in this Agreement.

4.2. In its conduct and operation, the Academy Trust must apply financial and other controls which meet the requirements of regularity, propriety and value for money.

4.3. The Academy Trust must appoint an accounting officer and must notify the Secretary of State of that appointment. The Academy Trust must assign to the accounting officer the responsibilities of the role set out in the Academies Financial Handbook and HM Treasury's publication 'Managing Public Money'.

4.4. The Academy Trust must abide by the obligations of, and have regard to the guidance for, charities and Charity Trustees issued by the Charity Commission and, in particular, the Charity Commission's guidance on

'Protecting Charities from Harm'. Any references in this document which require charity trustees to report to the Charity Commission should instead be interpreted as reporting to the body or person prescribed as the principal regulator under the Charities Act 2011.

- 4.5. The Academy Trust shall abide by the requirements of the current 16 to 19 Funding Guidance published by the Secretary of State, as amended from time to time, or such other guidance on 16 to 19 funding issued by the Secretary of State as may from time to time be applicable, in respect of any of its provision for persons who are above compulsory school age until the academic year in which they reach the age of 19.
- 4.5A If the Secretary of State pays any grant to or on behalf of the Academy Trust which includes an amount to cover VAT, the Academy Trust shall, having paid the VAT, promptly submit a VAT reclaim application to Her Majesty's Revenue and Customs (HMRC). Any failure by the Academy Trust to submit a VAT reclaim application to HMRC, or to pursue the application diligently, or to repay any reclaimed amount to the Secretary of State as soon as reasonably practicable following receipt will be taken into account by the Secretary of State in:
- a) calculating and paying any subsequent grant to the Academy trust; or
 - b) adjusting GAG payable to the Academy Trust in subsequent Academy Financial Years.

Application of the Academies Financial Handbook

- 4.6. In relation to the use of grant paid to the Academy Trust by the Secretary of State, the Academy Trust must follow the requirements of, and have regard to the guidance in, the Academies Financial Handbook.
- 4.7. The Academy Trust must have adequate insurance cover or opt in to the Department's arrangements as set out in the Academies Financial Handbook.

- 4.8. The Academy Trust must submit information about its finances to the Secretary of State in accordance with the Academies Financial Handbook, or as otherwise specified by the Secretary of State.

Budgeting for funds

- 4.9. The Academy Trust must balance its budget from each Academy Financial Year to the next. For the avoidance of doubt, this does not prevent the Academy Trust from:
- a) subject to clause 4.14, carrying a surplus from one Academy Financial Year to the next; or
 - b) carrying forward from previous Academy Financial Years sufficient cumulative surpluses on grants from the Secretary of State to meet an in-year deficit on such grants in a subsequent financial year, in accordance with clauses 4.14 - 4.18; or
 - c) incurring an in-year deficit on funds from sources other than grants from the Secretary of State in any Academy Financial Year, provided it does not affect the Academy Trust's responsibility to ensure that the Academy balances its overall budget from each Academy Financial Year to the next.
- 4.10. The Academy Trust may spend or accumulate funds from private sources or public sources, other than grants from the Secretary of State. Any surplus from private or public sources other than grants from the Secretary of State must be separately identified in the Academy Trust's accounts.
- 4.11. Not used.
- 4.12. The Academy Trust's budget must be approved for each Academy Financial Year by the Board of Charity Trustees.
- 4.13. The approved budget must be submitted to the Secretary of State in a form, and by a date, to be notified by the Secretary of State.

Carrying forward of funds

- 4.14. At the end of any Academy Financial Year the Academy Trust may carry forward unspent GAG from previous Academy Financial Years without limit (unless a limit is specified in the Academies Financial Handbook, or otherwise specified in writing by the Secretary of State, in which case that limit will apply).
- 4.15. The Academy Trust must use any GAG carried forward only for the purposes of GAG as set out in this Agreement, or otherwise as specified in the Academies Financial Handbook or in writing by the Secretary of State.
- 4.16. If the Secretary of State pays Maths School Additional Funding to the Academy Trust on condition that such grant be used for a specific objective or objectives, or that such grant be used by a certain date, any failure on the part of the Academy Trust to demonstrate that the Maths School Additional Funding was used for such an objective or objectives, or by such date, may be taken into account by the Secretary of State either:
- a) in the calculation and/or payment of any subsequent Maths School Additional Funding to the Academy Trust; or
 - b) by adjustment to the Maths School Additional Funding paid by the Secretary of State to the Academy Trust in the following Academy Financial Year;
- 4.17. Any additional grant made in accordance with clause 3.21 for the Start-Up Period may be carried forward, without limitation or deduction, until the Start-Up Period ends.
- 4.18. Any additional grant made in accordance with clause 3.22, for a period after the Secretary of State has served a Termination Notice or a Termination Warning Notice, may be carried forward without limitation or deduction until the circumstances set out in clause 3.22 cease to apply, or the Academy closes.
- 4.19. Any unspent grant not allowed to be carried forward under clauses 4.14 - 4.18 may be taken into account in the payment of subsequent grant.

Annual accounts and audit

- 4.20. The Academy Trust must prepare and file with Companies House the annual reports and accounts required by the Companies Act 2006.
- 4.21. In addition, the Academy Trust must prepare its annual reports and accounts for each Academy Financial Year:
- a) in accordance with the Charity Commission's 'Accounting and Reporting by Charities: Statement of Recommended Practice', as if the Academy Trust were a registered charity; and
 - b) additionally as the Secretary of State directs.
- 4.22. The Academy Trust's accounts must be audited annually by independent auditors appointed in line with the Academies Financial Handbook.
- 4.23. The accounts must carry an audit report stating whether, in the auditors' opinion, the accounts show a true and fair view of the Academy Trust's affairs. The accounts must also be accompanied by such other audit reports, relating to the use of grants and other matters, as the Secretary of State directs.
- 4.24. The Academy Trust's annual report must include the names of all members of the Academy Trust who served during the year.
- 4.25. The Academy Trust's annual reports and accounts, and the auditor's reports, must be submitted to the Secretary of State by 31 December each Academy Financial Year, or as otherwise specified by the Secretary of State.
- 4.26. The Academy Trust must publish on its website its annual reports and accounts, current memorandum of association, Articles and Funding Agreement and the names of its Charity Trustees and members. The Secretary of State may also publish the Academy Trust's annual reports and accounts, and the audit report, as he sees fit.

Keeping financial records

- 4.27. The Academy Trust must keep proper accounting records. Statements of income and expenditure, statements of cash flow and balance sheets must be

produced in such form and frequency as the Secretary of State directs.

Access to financial records

- 4.28. The books of accounts and all relevant records, files and reports of the Academy Trust, including those relating to financial controls, must be open at all reasonable times to officials of the DfE and the National Audit Office, and to their agents and contractors, for inspection or carrying out value for money assessments. The Academy Trust must give those officials and contractors reasonable assistance with their enquiries. For the purposes of this clause 'relevant' means in any way relevant to the provision and use of grants provided by the Secretary of State under this Agreement.
- 4.29. The Secretary of State may, at his expense, instruct auditors to report to him on the adequacy and effectiveness of the Academy Trust's accounting systems and internal controls to standards determined by the Secretary of State, and to make recommendations for improving the Academy Trust's financial management.

Acquiring and disposing of Publicly Funded Assets

- 4.30. In relation to Publicly Funded Assets, the Academy Trust must not, without the Secretary of State's consent:
- a) acquire or dispose of freehold land;
 - b) take up or grant a lease of land;
 - c) dispose of any other class of capital asset,
- except as expressly permitted in the Academies Financial Handbook, and subject to Part 3 of Schedule 1 to the Academies Act 2010.
- 4.31. The Academy Trust must give the Secretary of State 30 days' notice of its intention to take any of the actions in clause 4.30(a) – (c) regardless of whether the Secretary of State's consent is required.

Retaining proceeds from the disposal of capital assets

- 4.32. Except as permitted in the Academies Financial Handbook, if the Academy Trust sells capital assets which were acquired or enhanced wholly or partly using payments made by or on behalf of HM Government, the Academy Trust must pay to the Secretary of State, at his request, an amount of the sale proceeds equivalent to the proportion of the original cost of the acquisition or enhancement which was met by or on behalf of HM Government.
- 4.33. If the Academy Trust sells a capital asset which was transferred to it for no or nominal consideration from an LA, the Predecessor Institution or the Predecessor Institution's foundation, the Academy Trust must, if required by the Secretary of State, pay all or part of the sale proceeds to the LA or to the Secretary of State, taking into account the amount of the proceeds to be reinvested by the Academy Trust.

Transactions outside the usual planned range

- 4.34. In relation to Publicly Funded Assets, the Academy Trust must not, without the Secretary of State's consent:
- a) give any guarantees, indemnities or letters of comfort, except such as are given in normal contractual relations; or
 - b) write off any debts or liabilities owed to it; or
 - c) offer to make any special payments as defined in HM Treasury's publication 'Managing Public Money' (including ex gratia payments, staff severance payments and compensation payments)
- if the value of those transactions would be above any threshold specified in the Academies Financial Handbook.
- 4.35. The Academy Trust must give the Secretary of State 30 days' notice (or shorter period as the Secretary of State may agree) of its intention to do any of the actions in clause 4.34 (a)-(c). regardless of whether the Secretary of State's consent is required.

4.36. The Academy Trust must promptly notify the Secretary of State of any loss arising from suspected theft or fraud in line with the requirements in the Academies Financial Handbook, or otherwise specified by the Secretary of State.

Borrowing

4.37. Except as permitted in the Academies Financial Handbook, the Academy Trust must not borrow against Publicly Funded Assets, or so as to put Publicly Funded Assets at risk, without the Secretary of State's consent.

5. LAND CLAUSES

"Permanent Land" means the land at Barry House, London Road, Preston, PR1 4DE as shown edged red on the plan attached at Annex B and demised by, or to be demised by, the Permanent Lease.

"Permanent Lease" means the lease, any subsequent variations to the lease or other occupational agreement between the Academy Trust and the Secretary of State for Levelling Up, Housing and Communities (the **"Permanent Landlord"**) under which the Academy Trust derives title or will derive title to the Permanent Land.

"Property Notice" means any order, notice, proposal, demand or other requirement issued by any competent authority (including the Temporary Landlord) which materially affects the Academy Trust's ability to use the Permanent Land or the Temporary Land for the purposes of the Academy or any correspondence that affects the extent of the Permanent Land or the Temporary Land.

"Temporary Land" means the rooms at St Augustine Building, St Austin's Place, Preston, PR1 3YJ as edged red on the plan attached to this Agreement at Annex C and demised or to be demised by the Temporary Lease.

"Temporary Lease" means the lease, any subsequent variations to the lease or other occupational agreement between the Academy Trust and a third party (the **"Temporary Landlord"**) under which the Academy Trust derives title or will derive title to the Temporary Land.

Restrictions on Permanent Land transfer

5.1 The Academy Trust must:

- a) within 28 days of the signing of this Agreement in circumstances where the Permanent Land is demised to the Academy Trust prior to the date of this Agreement, or otherwise within 28 days of the demise of the Permanent Land to the Academy Trust, apply to the Land Registry using Form RX1 for the following restriction (the “**Restriction**”) to be entered in the proprietorship register for the Permanent Lease:

No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the Secretary of State for Education of Sanctuary Buildings, Great Smith Street, London SW1P 3BT;

- b) take any further steps required to ensure that the Restriction is entered on the proprietorship register of the Academy Trust’s title;
- c) promptly confirm to the Secretary of State when the Restriction has been registered;
- d) if it has not registered the Restriction, allow the Secretary of State to do so in its place; and
- e) not, without the Secretary of State’s consent, apply to disapply, modify, cancel or remove the Restriction, whether by itself, a holding company, a subsidiary company, or a receiver, administrator or liquidator acting in the name of the Academy Trust.

Obligations of the Academy Trust

5.2 The Academy Trust must keep the Permanent Land and the Temporary Land clean and tidy and make good any damage or deterioration to the Permanent Land and the Temporary Land. The Academy Trust must not do anything to

lessen the value or marketability of the Permanent Land and the Temporary Land without the Secretary of State's consent. The Academy Trust must comply with the Permanent Lease and the Temporary Lease and promptly enforce its rights against the Temporary Landlord.

5.3 The Academy Trust must not, without the Secretary of State's consent:

- a) terminate, renew, vary, surrender, dispose of or agree any revised rent under the Temporary Lease; or
- b) grant any consent or licence; or
- c) create or allow any encumbrance including charging the land; or
- d) part with or share possession or occupation; or
- e) enter into any onerous or restrictive obligations,

in respect of all or part of the Permanent Land or the Temporary Land
Provided that the Academy Trust may grant a licence or share occupation of part of the Permanent Land with a proprietor or proposed proprietor of an academy or a body or individual providing services or facilities which are within the uses permitted by the Permanent Lease and where no relationship of landlord and tenant arises as a result of such occupation.

5.4 The Academy Trust must obtain the Secretary of State's consent before taking any action, including the service of any notice or waiver of any condition, under any contract relating to the acquisition of the Permanent Land or the Temporary Land.

5.5 If the Academy Trust is, or if it is reasonably foreseeable that it will be, in material breach of the Permanent Lease or the Temporary Lease, the Academy Trust must immediately give written notice to the Secretary of State stating what the breach is and what action the Academy Trust has taken or proposes to take to remedy it, including timescales where appropriate.

5.6 After notifying the Secretary of State under clause 5.5, the Academy Trust must:

- a) promptly give the Secretary of State all the information he asks for about the breach;
- b) allow the Secretary of State to take all necessary action, with or instead of the Academy Trust, to remedy or prevent the breach, and
- c) use its best endeavours to help the Secretary of State to remedy or prevent the breach.

5.7 If the Academy Trust has not entered into the Permanent Lease by 31 December 2022 or the Temporary Lease by 31 July 2022, the Secretary of State may serve a Termination Notice.

5.8 If any part of the property situated on the Permanent Land or the Temporary Land is damaged or destroyed by an insured risk and the Academy Trust receives the proceeds of insurance but it cannot apply those proceeds to rebuild or reinstate the property because it is impossible or impractical to do so, then the Academy Trust shall pay the insurance proceeds to the Secretary of State in full.

Property Notices

5.9 If the Academy Trust receives a Property Notice, it must:

- a) send a copy of it to the Secretary of State within 14 days, stating how the Academy Trust intends to respond to it;
- b) promptly give the Secretary of State all the information he asks for about it;
- c) allow the Secretary of State to take all necessary action, with or instead of the Academy Trust, to comply with it, and
- d) use its best endeavours to help the Secretary of State in connection with it.

Sharing the Permanent Land

5.10 If:

- a) the Academy does not reach its planned capacity, as stated in clause 2.11, within five Academy Financial Years from and including the first year of opening; or
- b) the Academy Trust or the Secretary of State serves notice to terminate this Agreement under clause 7; or
- c) the Secretary of State considers, having consulted with the Academy, that not all the Permanent Land is needed for the operation of the Academy at planned capacity,

the Academy Trust must share occupation of the Permanent Land with such other academy as the Secretary of State considers appropriate and enter into any legal arrangements which the Secretary of State requires for this purpose Provided that the Secretary of State shall meet the necessary and reasonable legal costs incurred by the Academy Trust in connection with entering into any such arrangements under this clause.

5.11 In the event of any inconsistency between the provisions of this Agreement and the Permanent Lease, the provisions of this Agreement will prevail and, for the avoidance of doubt, nothing in the Permanent Lease precludes any requirement for the Academy Trust to obtain the consent of the Secretary of State for any matters or dealings relating to the Permanent Land.

6. COMPLAINTS

6.1. Not used.

6.2. Not used.

6.3. Not used.

6.4. Not used.

7. TERMINATION

Termination by either party

7.1. Either party may give at least seven Academy Financial Years' notice to terminate this Agreement. Such termination would take effect on 31 August of the relevant year.

Termination Warning Notice

7.2. The Secretary of State may serve a Termination Warning Notice where he considers that:

- a) the Academy Trust has breached the provisions of this Agreement; or
- b) the standards of performance of students at the Academy are unacceptably low; or
- c) there has been a serious breakdown in the way the Academy is managed or governed; or
- d) the safety of students or staff is threatened, including by a breakdown of discipline.

7.3. A Termination Warning Notice served under clause 7.2 will specify:

- a) the action the Academy Trust must take;
- b) the date by which the action must be completed; and
- c) the date by which the Academy Trust must make any representations, or confirm that it agrees to undertake the specified action.

7.4. The Secretary of State will consider any representations from the Academy Trust which he receives by the date specified in the Termination Warning Notice. The Secretary of State may amend the Termination Warning Notice to specify further action which the Academy Trust must take, and the date by which it must be completed.

7.5. If the Secretary of State considers that the Academy Trust has not responded to the Termination Warning Notice as specified under clause 7.3(c), or has not completed the action required in the Termination Warning Notice under clauses 7.3(a) and (b) (and any further action specified under clause 7.4) he may serve a Termination Notice.

Termination by the Secretary of State after inspection

7.6. If the Chief Inspector has made a report under section 124(4)(a) or 125(4)(a) of the Education and Inspections Act 2006 and stated that he does not consider the education or training inspected in the Academy to be of a quality adequate to meet the reasonable needs of those receiving it, the Secretary of State may serve a Termination Warning Notice, specifying the date by which the Academy Trust must make any representations.

7.6A Not used.

7.7. If the Secretary of State has served a Termination Warning Notice under clause 7.6 and:

- a) has not received any representations from the Academy Trust by the date specified in the notice; or
- b) having considered the representations made by the Academy Trust remains satisfied that this Agreement should be terminated,

he may serve a Termination Notice.

7.8. Not used.

Termination by the Secretary of State

7.9. The Secretary of State may serve a Termination Notice if any of the following events occurs, or if he considers that there is a serious risk that any of them may occur:

- a) the Academy Trust calls a formal or informal meeting of its creditors or enters into any formal or informal composition or arrangement with its creditors; or
- b) the Academy Trust proposes a voluntary arrangement within section 1 of the Insolvency Act 1986; or
- c) the Academy Trust cannot pay its debts within the meaning of section 123 of the Insolvency Act 1986 with, for the purposes of this clause, section 123 (1)(a) of this Act having an effect as if £10,000 were

substituted for £750. The Academy Trust will not be considered unable to pay its debts for the purposes of this clause if it is contesting any such demand in good faith; or

- d) the Academy Trust has a receiver and manager (except those appointed by the Charity Commission under the Charities Act 2011), administrator or administrative receiver appointed over all or part of its undertakings, assets or income; or
- e) any distraint, execution or other process is levied or enforced on any of the Academy Trust's property and is not paid out, withdrawn or discharged within 15 Business Days; or
- f) the Academy Trust has passed a resolution for its winding up; or
- g) an order is made for the winding up or administration of the Academy Trust.

7.10. The Academy Trust must promptly notify the Secretary of State, with an explanation of the circumstances, after receiving any petition which may result in an order for its winding up or administration.

7.11. If

- a) Any Charity Trustee or member of the Academy Trust refuses to consent to any checks required under this Agreement, or as otherwise requested by the Secretary of State; or
- b) The Secretary of State determines that any Charity Trustee or member of the Academy Trust is unsuitable, the Secretary of State may:
 - i. direct the Academy Trust to ensure that the Charity Trustee or member resigns or is removed within 42 days, failing which the Secretary of State may serve a Termination Notice; or
 - ii. serve a Termination Notice.

7.12. For the purposes of clause 7.11 a Charity Trustee or member of the Academy Trust will be “**unsuitable**” if that Charity Trustee or member:

- a) has been convicted of an offence;
- b) has been given a caution in respect of an offence;
- c) is subject to a relevant finding in respect of an offence; or
- d) has engaged in relevant conduct,

as a result of which, the Secretary of State considers that that Charity Trustee or member is unsuitable to take part in the management of the Academy.

7.13. For the purposes of clause 7.12:

- a) a Charity Trustee or member of the Academy Trust will be subject to a **“relevant finding”** in respect of an offence if:
 - i. that Charity Trustee or member has been found not guilty of the offence by reason of insanity;
 - ii. that Charity Trustee or member has been found to be under a disability and to have done the act charged against them in respect of the offence; or
 - iii. a court outside the United Kingdom has made a finding equivalent to that described in paragraphs (i) and (ii) above.
- b) **“relevant conduct”** is conduct by a Charity Trustee or member of the Academy Trust which is:
 - i. aimed at undermining the fundamental British values of democracy, the rule of law, individual liberty and mutual respect and tolerance of those with different faiths and beliefs; or
 - ii. found to be in breach of professional standards by a professional body; or
 - iii. so inappropriate that, in the opinion of the Secretary of State, it makes that Charity Trustee or member unsuitable to take part in the management of the Academy.

- 7.14. If at any time before the Academy opens, the total number of prospective students who have accepted offers of places to attend the Academy in September 2022 is less than 48, the Secretary of State may:
- a) require the Academy Trust not to open the Academy until 48 prospective students have accepted offers of places to attend the Academy; or
 - b) serve a Termination Notice.
- 7.15. If at any time after the Academy has opened, the Secretary of State considers that the Academy is not financially viable because of low student numbers, then he may:
- a) serve a Termination Warning Notice; or
 - b) serve a Termination Notice.
- 7.16. If both parties agree that the Academy is not financially viable because of low pupil numbers, they may jointly terminate this Agreement after agreeing the precise terms of termination.
- 7.17. Not used
- 7.18. If at any time before the Academy opening date, the Secretary of State considers that:
- a) the Academy would, on opening, provide an unacceptably low standard of education; or
 - b) the safety of students or staff at the Academy would, on opening, be threatened; or
 - c) the staff employed at the Academy are unsuitable; or
 - d) there is a serious breakdown in the way the Academy Trust is being managed or governed; or

- e) the buildings and other structures on the Permanent Land or the Temporary Land are unsuitable or the Academy Trust has not obtained Building Regulations approval,

he may either:

- A. require the Academy Trust:
 - i. not to open the Academy; or
 - ii. not to admit students of a particular age range, to be determined by the Secretary of State; or
 - iii. not to use any building or other structure on the Permanent Land or the Temporary Land,

until each relevant matter in paragraphs (a) to (e) above has been resolved to the Secretary of State's satisfaction; or

- B. serve a Termination Notice.

Change of Control

7.19. The Secretary of State may at any time, subject to clause 7.20, serve a Termination Notice if there is a change:

- a) in the Control of the Academy Trust; or
- b) in the Control of a legal entity that Controls the Academy Trust.

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

7.21. The Academy Trust must promptly notify the Secretary of State if there is a proposed or actual change of Control of the Academy Trust, or of a legal entity that Controls the Academy Trust.

7.22. When notifying the Secretary of State under clause 7.21, the Academy Trust must seek his agreement that, if he is satisfied with the change of Control, he will not exercise his right to terminate this Agreement under clause 7.19.

Funding and admission during notice period

- 7.23. If the Secretary of State serves a Termination Notice under clause 7.1, the Academy Trust may continue during the notice period to admit students to the Academy, and to receive GAG and EAG, in accordance with this Agreement.
- 7.24. If the Secretary of State serves a Termination Warning Notice or a Termination Notice otherwise than under clause 7.1, the Academy Trust may continue during the notice period to admit students to the Academy (unless the Secretary of State specifies otherwise), and to receive GAG and EAG, in accordance with this Agreement.

Effect of Termination

- 7.25. If this Agreement is terminated, the Academy will cease to be an Academy within the meaning of sections 1 and 1A of the Academies Act 2010.
- 7.26. Subject to clauses 7.27 and 7.28, if the Secretary of State terminates this Agreement under clause 7.1, he will indemnify the Academy Trust. If the Secretary of State terminates this Agreement otherwise than under clause 7.1, he may at his discretion indemnify or compensate the Academy Trust.
- 7.27. The amount of any such indemnity or compensation will be determined by the Secretary of State, having regard to representations made to him by the Academy Trust, and will be paid as and when the Secretary of State considers appropriate.
- 7.28. The categories of expenditure incurred by the Academy Trust in consequence of termination, for which the Secretary of State may indemnify the Academy Trust under clauses 7.26, may include:
- a) staff compensation and redundancy payments;
 - b) compensation payments in respect of broken contracts;
 - c) expenses of disposing of assets or adapting them for other purposes;
 - d) legal and other professional fees; and
 - e) dissolution expenses.

- 7.29. If this Agreement is terminated, and the Academy Trust owns capital assets which have been partly or wholly funded by HM Government, the Academy Trust must, as soon as possible after the termination date:
- a) transfer a proportion of those capital assets, equal to the proportion of the original financial contribution made by HM Government, to a nominee of the Secretary of State to use for educational purposes; or
 - b) if the Secretary of State directs that a transfer under clause 7.29(a) is not required, pay to the Secretary of State at the termination date (or, by agreement with the Secretary of State, at the date of their subsequent disposal) a sum equivalent to the proportion of the original financial contribution made by HM Government.
- 7.30. The Secretary of State may:
- a) waive all or part of the repayment due under clause 7.29(b) if the Academy Trust obtains his permission to invest the sale proceeds for its charitable purposes; or
 - b) direct the Academy Trust to pay all or part of the sale proceeds to the relevant LA.

8. OTHER CONTRACTUAL ARRANGEMENTS

Information

- 8.1. The Academy Trust must promptly provide to the Secretary of State any information that he requests about the Academy Trust or the Academy, which he regards as necessary to fulfil his role and responsibilities.
- 8.2. The Secretary of State will give the Academy Trust any information it reasonably requires of him for the running of the Academy.
- 8.3. The Academy Trust agrees to comply with applicable regulations and legislation and ensure that data for its academy is returned on time either via the “Specification of the Individualised Learner Record” (**ILR**) or the “School Census” published by the Department for Education and/or its agencies.

Access by the Secretary of State's Officers

- 8.4. The Academy Trust must allow DfE officials to enter the Academy at any reasonable time. All records, files and reports relating to the running of the Academy must be available to them at any reasonable time. Two DfE officials may attend and speak at any meetings of the Board of Charity Trustees or any other meetings of Charity Trustees of the Academy Trust, but will withdraw from any discussion of the Academy's or the Academy Trust's relationship with the Secretary of State or any discussion of bids for funding to the Secretary of State.
- 8.5. The following documents must be provided to the Secretary of State or any person nominated by the Secretary of State on request:
- a) the agenda for every meeting of the Board of Charity Trustees or any committee to which it delegates any of its functions;
 - b) the draft minutes of every such meeting, if they have been approved by the chairman of that meeting;
 - c) the signed minutes of every such meeting; and
 - d) any report, document or other paper considered at any such meeting.
- 8.6. The Academy Trust may exclude from items provided under clause 8.4 any content relating to:
- a) a named teacher or other person employed, or proposed to be employed, at the Academy;
 - b) a named student at, or candidate for admission to, the Academy; and
 - c) any matter which, the Academy Trust reasonably believes should remain confidential.

Information Sharing with Local Authorities – Statutory Responsibilities

8.6.1 The Academy Trust must provide:

- a) the name, address and date of birth of the pupil or student;

- b) the name and address of a parent of the pupil or student;
- c) information in the institution's possession about the pupil or student (except if the pupil or student concerned (in the case of a pupil or student who has attained the age of 16) or a parent of the pupil or student concerned (in the case of a pupil or student who has not attained the age of 16) has instructed the Academy Trust not to provide information of that kind);

upon request under section 14 of the Education and Skills Act 2008 from a LA (for the purpose of enabling or assisting it to exercise its functions under Part 1 of that Act); or

upon request under section 72 of that Act from a body providing services under sections 68 or 70(1)(b) of the Act (for the purposes of providing such services).

Notices

8.7. A notice or communication to a party in connection with this Agreement:

- a) must be in writing (excluding email, except where agreed in advance) and in English;
- b) must be delivered by hand or sent by pre-paid first-class post or other Business Day delivery service;
- c) will be deemed to have been received:
 - i. if delivered by hand, at the time when a delivery receipt is signed or when the notice is left at the address in paragraph (d), or
 - ii. if posted, at 9.00 am on the second Business Day after posting; and
- d) must be sent to the party for the attention of the contact and at the address listed as follows (or to a different contact or address previously notified to the sending party, the change taking effect five Business Days after deemed receipt of the notice):

Name of party	Position of contact	Address
Secretary of State	Regional Schools Commissioner for Lancashire and West Yorkshire	Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT
Academy Trust	Chair of Board of Charity Trustees	The Rigby Education Trust, c/o Cardinal Newman College, Larkhill Road, Preston, England, PR1 4HD

General provisions

- 8.8. The Academy Trust cannot assign this Agreement.
- 8.9. Failure to exercise, or a delay in exercising, any right or remedy of the Secretary of State under this Agreement (including the right to terminate it), or a single or partial exercise of such a right or remedy, is not a waiver of, and does not prevent or restrict any initial or further exercise of, that or any other right or remedy.
- 8.10. Termination of this Agreement will not affect the accrued rights, remedies, obligations or liabilities of the parties to this Agreement existing at termination.
- 8.11. This Agreement may be executed in any number of counterparts, each of which when executed and delivered will constitute a duplicate original, but all of which will together constitute the same agreement.
- 8.12. This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) will be governed by and construed in accordance with the law of England and Wales, and submitted to the exclusive jurisdiction of the courts of England and Wales.

This Agreement was executed as a Deed on 26th April 2002

Executed on behalf of the **Academy Trust** by:

Lemard Hansen

and

.....

Director
Chair of The Rigby Education Trust

Director

or

.....

Company Secretary

in the
presence of

A. Pettman

Witness

Name: Annette Pettman

Address: c/o Cardinal Newman College
Lark Hill Road,
Preston, PR1 4HD

The Corporate Seal of

THE SECRETARY OF STATE FOR EDUCATION

affixed to this deed is authenticated by:

Frances M. Blow



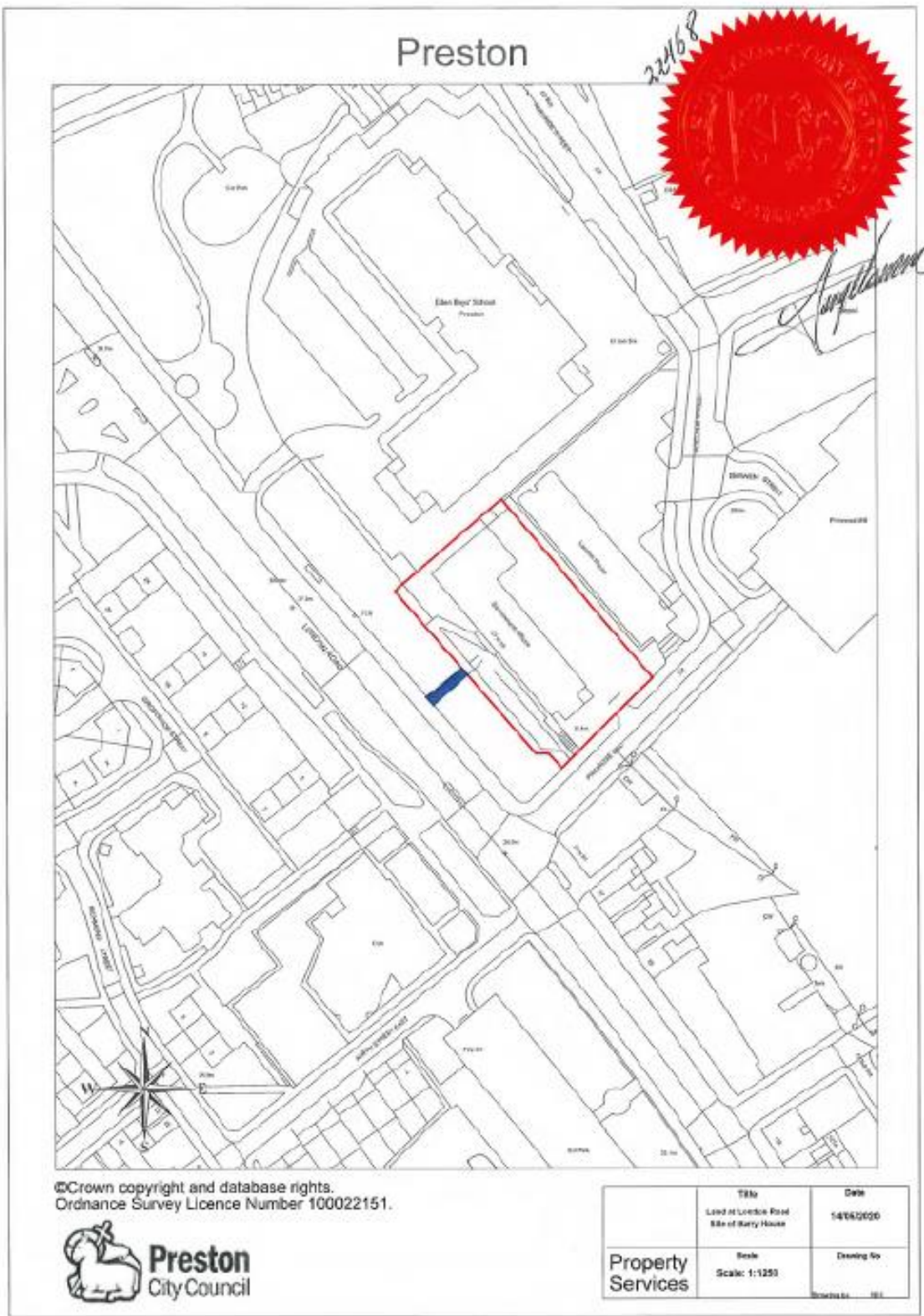
ANNEXES

ANNEX A

ADMISSION OF CHILDREN AND YOUNG PEOPLE WITH EDUCATION, HEALTH AND CARE PLANS

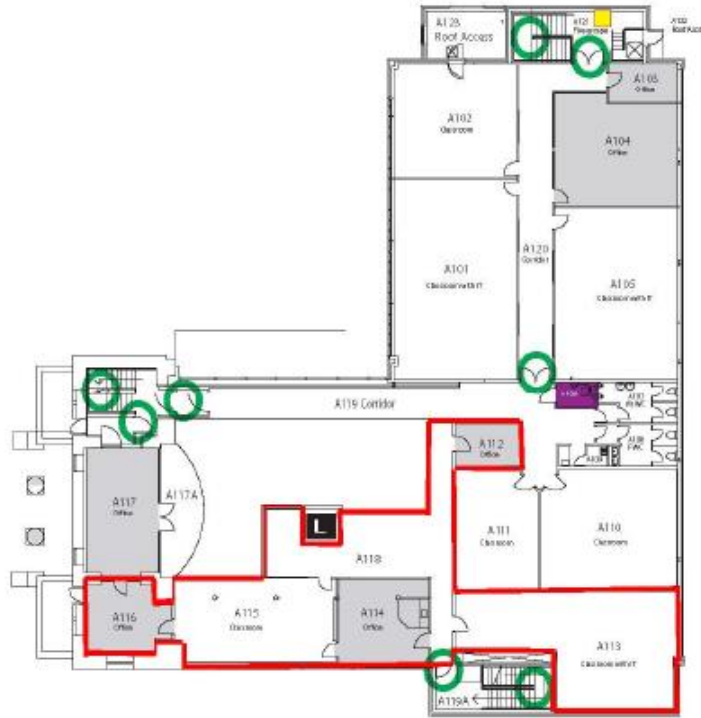
The Children and Families Act 2014 imposes duties directly on Academies in respect of students with SEN, including the admission of students with EHC plans. If an Academy Trust considers that a LA should not have named the Academy in an EHC plan, it may ask the Secretary of State to determine whether the LA has acted unreasonably, and to make an order directing the LA to reconsider. The Academy Trust must admit the student if such a determination is pending. The Secretary of State's determination as to whether the LA acted unreasonably will be final, subject to any right of appeal which a student (if over compulsory school age) or the parent of the student may have to the First-tier Tribunal (Special Educational Needs and Disability) or the Upper Tribunal Administrative Appeals Chamber.

ANNEX B: PERMANENT LAND PLAN



ANNEX C: TEMPORARY LAND PLAN

SCHEDULE 1 – LEASE PLAN



FIRST FLOOR



SECOND FLOOR

