



Department
for Education

Office of the Regional Schools Commissioner
for the West Midlands
Department for Education
Cheylesmore House
Quinton Road
Coventry
CV1 2WT

Email: RSC.WM@education.gov.uk

The Members and Trustees of
Learning Link Multi Academy Trust
Trent Lodge
Stroud Road
Cirencester
Gloucestershire
England
GL7 6JN

13 October 2020

Dear Member/Trustee

Termination Notice to the Members and Trustees of the Learning Link Multi Academy Trust in respect of Dudley Wood Primary School, Netherbrook Primary School, Kates Hill Primary School and Sledmere Primary School

The purpose of this Termination Notice is to inform you, as the Members and Directors of Learning Link Multi Academy Trust (the Trust), that having considered the representations provided in response to my Termination Warning Notices of 23 July 2020 (the TWNs) the Secretary of State relying on clause 5E of the Funding Agreements¹ intends to terminate the Funding Agreements for Dudley Wood Primary School, Netherbrook Primary School, Kates Hill Primary School and Sledmere Primary School all dated 27 October 2017 between the Learning Link Multi Academy Trust and the Secretary of State.

The TWNs issued in July 2020 to all four academies, required you to take remedial actions to address the serious breakdown in the management and governance of the academies. These remedial actions were:

- Members must appoint additional Trustees from the list of academy ambassadors and/or other turnaround consultants to make up the total number to either seven or nine (in principle and subject to the necessary checks) in line with the articles and best practice and provide evidence to demonstrate that this meets the necessary skills need of the board via a skills audit.

- Members must appoint three additional members (in principle and subject to the necessary checks) to satisfy the Department's preference for 5 members. Confirmation of members names and official records (GIAS, Companies House and Trust website) must be updated by 20th August 2020. The Trust must update, share, and publish their scheme of delegation and provide the necessary assurances that this is fit for purpose.
- The Trust must set out their plans and timeline for confirming the permanent leadership of the trust at CEO and CFO level.
- All LGBs and members must hold a vote of confidence in the Trustees and the Trust must communicate the outcome of those votes to the Department.

Having assessed the Trust's response including the representations you have made in response to the TWNs, I am of the opinion that the Trust has failed to take sufficient action to address my concerns fully and I do not believe the Trust has the capacity to secure the necessary improvements. In particular:

- The trust has not appointed Trustees from Academy Ambassadors or other Turnaround Directors as directed and specified in the TWN.
- The revised Trust Board lacks local representation as new appointees are located across the country.
- Ongoing communication from individuals within the Trust, including the recent resignation of a Trustee due to difficulties with the rest of the board, indicate that relationships across the Trust at all levels continues to be a significant blocker to any progress or improvement. This does not provide me with adequate reassurance that the trust has the capacity to remedy the issues highlighted in the TWN.
- Deadlines for an updated and published Scheme of Delegation were extended to allow new trustees to review it. Even though this deadline was met, the Scheme of Delegation including the Financial Scheme of Delegation are, in parts, contradictory. Rather than presenting clear lines of accountability, the Schemes were incoherent. Independent reviews noted that the Scheme of Delegation required clarity between the CEO and CFO as both share the same responsibilities and accountability. As such, I have no confidence that Trustees and Trust leaders are operating in accordance with the Academies Handbook, the Governance Handbook and Funding Agreement.
- The votes of confidence from LGBs are inconclusive. Two schools confirmed votes of confidence subject to conditions, including the replacement of the SLT. One LGB unanimously voted no confidence in the Trust. Furthermore, I have received requests from two of your schools seeking my support and agreement to leave the MAT.

The above indicates that there remains a breakdown in trust between those who are leading the academies within the trust and the Trust Board and leads me to conclude that the schools are effectively operating as individual SATs rather than benefiting from being part of a MAT.

In addition to the actions required under the TWN, the trust was also subject to a Financial Notice to Improve (FNtI) issued on 2 January 2020. For the reasons set out below, I am not satisfied that sufficient steps have been taken to comply with the conditions of the FNtI. Such a failure amounts to a breach of the funding agreements and I have taken this into account in deciding whether to terminate the funding agreements.

Whilst the trust have partially met conditions of the Financial Notice to Improve issued on 2 January 2020, the ESFA continue to hold significant concerns about the strategic and operational financial management of the Trust:

- The 2018/19 financial statements, management letter and internal scrutiny information remain outstanding.
- The draft 2018/19 financial statement reports an overall cumulative deficit position of £204k (4.9% of income); the recently submitted Budget Forecast Return (BFR) does not align with the financial plan (also recently submitted by the trust) so the financial position of the trust is unclear. It is clear the trust is financially vulnerable.
- The management accounts are still below the expected standard required by the AFH.

Furthermore, the ESFA continue to be concerned about the robustness in governance arrangements (evidenced in the incomplete sets of minutes from various trust committee meetings) as well as the trust's financial planning processes, as highlighted in the discrepancies between the trust's BFR and financial plan. Allegations of bullying as well as reports of safeguarding issues reported to the ESFA raise further leadership and governance concerns.

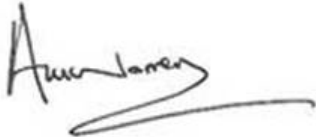
I have taken account of the representations made by the Trust and have no confidence that Trustees and Trust leaders are operating (or will continue to operate) in accordance with the Academies Handbook, the Governance Handbook and Funding Agreement or that the Trust is able to adequately address the significant challenges it faces both financially and in terms of its internal governance. I am of the view that the four schools would be better served in an alternative Trust and this letter serves as notice of termination pursuant to clause E of the funding agreement

I expect the Trust to share this letter with the LGBs to ensure they are fully aware of my decision.

My team will be in touch with you shortly to agree next steps including to agree a suitable date of termination on or before 1 January 2021. If a date cannot be agreed, I will write under separate cover to notify you of the termination date.

I am copying this letter to the National Schools Commissioner, Dominic Herrington, Marco Longhi (MP for Dudley North), Suzanne Webb (MP for Stourbridge), [REDACTED] (Interim Director of Children's Services for Dudley) and [REDACTED] (Acting CEO for Learning Link Multi Academy Trust). A copy of this letter will also be published on GOV.UK.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andrew Warren', with a long horizontal flourish extending to the right.

Andrew Warren
Regional Schools Commissioner for the West Midlands

ⁱ Inserted by section 14 of the Education and Adoption Act 2016