



Mercia
Learning Trust

Member Terms of Reference

Autumn 2022

What is the role of a Member?

Academy trusts do not have shareholders; they have members. The role and rights of members is analogous to that of shareholders. Members of an academy trust do not have rights of ownership in the company like shareholders because the profits of the company cannot be distributed to them. However, the members can control changes in the constitution (subject to DfE approval) and other fundamental decisions relating to the academy trust.

Members also have the right to remove a governor / trustee by ordinary resolution (a vote passed by a simple majority of members). Generally, the members of a company limited by guarantee have few obligations other than their obligations towards the company and the other members, as set out in the constitution and other constitutional documents. This reflects the fact that it is the directors of a company that are responsible for its operation. The role of member is likely to therefore be a largely “hands-off role”. Perhaps the distinction between a member and trustee is best illustrated by an example; whilst the annual audited accounts will be presented to the members it is the governing body and the chair of governors who approve, sign them and send them to Companies House. *Browne Jacobson (in the leaflet on Governance in a MAT)*

How many members are there?

MLT will have 5 members. The Chair of the Trust Board will automatically be a member, although she/he cannot be the Chair or Vice Chair.

Frequency of meetings

Members are expected to meet annually at the Annual General Meeting (AGM). The AGM usually takes place in January so that members can receive the annual audited accounts and trust performance report.

As new members we anticipate they may wish to find ways to better understand the context within which the Trust operates, understand its strategic vision and benchmarks its performance.

Responsibilities

Members are the most senior individuals / governance tier in the Trust. They are *initially* appointed by the Board and then hold the following responsibilities:

1. Oversight of overall Trust effectiveness, performance & risk management.
2. Receive the annual report and accounts.
3. Appoint and remove directors / governors.
4. Control changes to the constitution (subject to DfE approval) and other fundamental decisions relating to the academy trust.

This role is defined within the scheme of delegation.