



Westcountry Schools Trust (WeST)

Due Diligence Policy

Person(s) responsible for updating the policy:	WeST, Executive Leadership Team
Date Approved:	05/05/2022
Date of next review:	March 2024
Status:	Non-statutory guidance

Mission Statement

WeST holds a deep-seated belief in education and lifelong learning. Effective collaboration, mutual support and professional challenge will underpin our quest to ensure that all of the children and adults we serve are given every opportunity to fulfil their potential and succeed in life.

Westcountry Schools' Trust adopted this policy in March 2019. It was revised and updated in March 2022.

Westcountry Schools' Trust will review this policy bi-annually **or when the need arises, note Section 7 – Policy Circulation**

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1. Introduction

1.1. Overview

This Policy sets out the framework and requirement that before WeST agrees to a school joining the Trust, essential due diligence activities are undertaken in order to ensure that it fully understands what it is taking on and the effect this will have on the Trust as a whole.

1.2. Purpose

There are two key purposes to undertaking due diligence:

- Obtain sufficient information about the organisation joining the Trust in order to decide whether the transfer should go ahead
- Any information revealed can be used to provide a better negotiating position in respect of the terms of the transfer.

1.3. Aim

The aim of this Policy is to ensure that:

- All stakeholders, i.e. every Member, Trustee/Director, HAB Member and Senior Employee, understands why the due diligence process is needed and what checks are required.
- The Trust understands exactly what it is acquiring, what the extent of the school improvement task is, that the transferor has the legal right to transfer such assets and the full extent of such liabilities for which the Trust will become responsible.
- The Trust obtains sufficient information through the due diligence exercise, which is appropriately recorded and assessed, thus ensuring that the Board of Trustees can make a fully informed decision on whether the transfer should proceed and that the terms of the transfer are appropriate.

2. Definition

Due diligence is an investigation of an organisation prior to signing a contract.

For the purpose of this document:

- Members, Trustees/Directors and HAB Members are referred to as Trustees;
- Westcountry Schools Trust is referred to as The Trust;
- Students refers to all students being educated or on site at any one of the schools within Westcountry Schools Trust.

3. Legal Framework

This Policy takes its legal framework from the following legislation and statutory guidance:

- Companies Act 2006;
- The ESFA Academies Financial Handbook;
- The Articles of Association of Westcountry Schools Trust and its funding agreement.

4. Due Diligence Process

Following a transfer proposal by another MAT / school to join WeST, or a request from the Regional Schools Commissioner to add a Trust / school to WeST, the CEO will seek the Board of Trustees' approval to explore the potential risks and benefits of the move. With the Board's approval, the CEO and CFO will scope the proposal under these headings and produce a proposal document under the following headings:

- Educational performance
- Ofsted reports
- Financial information
- Admissions
- Capacity, pupil numbers and school demographics, pupil premium
- Local intelligence.

The proposal document should be presented to the Trust Board by the CEO for preliminary discussion with any areas of concern highlighted. Informed by the proposal document, the Board of Trustees may agree the potential transfer is of interest. If this is the case, an instruction is to be given to the WeST Executive Group to begin the completion of the formal Due Diligence checklist at Appendix A. Due Diligence will be appropriate and proportionate to the circumstances of the potential transfer. It may be undertaken in stages with updates provided to the Trust Board, and will culminate in the presentation of a full and comprehensive report covering the following areas:

- Strategic
- Compliance
- Finance
- Human Resources
- Estates & Health & Safety
- Data Protection

The report is compiled and considered at ELT by the WeST Executive Group. The final version is taken by the CEO to the Trust Board for discussion/review and a final decision. The final report will include:

- Full Due Diligence Checklist (as per Appendix 1)
- Summary of key findings
- Impact on the other schools within the Trust
- Whether the school(s) can be aligned to the Trust's vision and values
- Impact on the Trust's governance structure
- Benefits to the Trust
- Risks and concerns

5. Confidentiality

6.1. Trustees or Senior Employees cannot use information obtained from the Trust or from the Due Diligence process for their own benefit or that of another organisation if it has been obtained in confidence or has special value such as commercial sensitivity.

6. Policy Circulation

7.1. This Policy will be published on the Trust's website and included in the Trust's Policy Monitoring Schedule

7.2. This Policy will be circulated to every Member, Trustee/Director, HAB Member and Senior Employee by sending an email to the link on the Trust's website on an annual basis and when each new Member, Trustee/Director, Governor and Senior Employee joins the Trust.

Adoption of the Policy

This Policy has been adopted by the Trustees of the Westcountry Schools Trust.

Appendix 1 DUE DILIGENCE CHECKLIST FOR SCHOOLS JOINING THE TRUST

NAME OF SCHOOL			
REF	ITEM	Comments. Action required by whom, by when. Review of actions? Evaluated by?	Who is responsible?
Strategic Due Diligence			
A1	School Improvement Plan(s), including analysis of trends and effectiveness of school improvement strategies		
A2	Curriculum Model – design and staffing of classes, staff pupil ratios		
A3	Most recent published data along with unpublished key attainment data for the last 3 years		
A4	Most recent OFSTED Reports and any associated Post Ofsted action plan		
A5	Current predicted attainment and progress data for all year groups		
A6	Latest School Improvement monitoring reports as appropriate		
A7	Most recent financial audit reports		

A8	Governor skills audits		
A9	Scrutiny of board meeting minutes for the preceding 3 calendar years		
A10	Review of the school website for compliance in respect of most recent Government guidance		
A11	Review of school policies to ensure compliance		
A12	Percentage of staffing costs against budget		
A13	Forecast number on roll with 3-year projections, shown against capacity and % full		

Compliance Due Diligence

B1	Scrutiny of complaints register		
B2	Scrutiny of data protection policy and ICO registration		
B3	Review of data protection audits as appropriate		
B4	Review of all legal contracts including suppliers, leases and consultants		
B5	Review of potential liability claims and outcomes		
B6	Review of insurance arrangements		

Finance Due Diligence

C1	Income & Expenditure profile for the preceding 3 financial years, including, if applicable, the latest signed statutory accounts		
C2	Budget position for the preceding 3 financial year and future known changes		
C3	Budget forecast for the next 3 financial years		
C4	Breakdown of the full income analysis including voluntary funds		

C5	Breakdown of the full expenditure and commitments analysis		
C6	Cash flow analysis		
C7	Review of accounting systems and internal controls		
C8	Details of any personal inventory items held by staff members		
C9	Details of any ongoing disputes or claims against the Trust/Academy/School including any contingent liabilities and open insurance issues		
C10	Review of compliance with the terms of the Academies Handbook and, in particular the 'must' section		
C11	Details of any trading income of the school/s and the impact on the Trust's corporation tax position.		

Human Resources Due Diligence

D1	A copy of the Single Central Record		
D2	Analysis of Employment Contracts including existing TUPE and/or special conditions/clauses, staffing dashboard/profiles including leadership structures, grading structures and job descriptions		
D3	Confirmation of compliance with GDPR and changes in DPA 2018 including retention arrangements		
D4	Confirmation of compliance with statutory training requirements, i.e. food hygiene, first aid, health and safety, data protection – Note - statutory Safeguarding training covered by Safeguarding Due Diligence (Section 17)		
D5	Confirmation of teachers' appraisals being undertaken and any pay		

	recommendations for the post-transfer period		
D6	Confirmation that Right to Work checks have been undertaken and appropriate evidence retained		
D7	Details of contractual annual leave entitlements for support staff		
D8	Details of All year-round staff and holiday balances at point transfer		
D9	Rates of absenteeism and details of any absence longer 4 weeks in the preceding 12 months and steps taken under the employer's policy		
D10	Details of any collective agreements/actions taken to derecognise trade unions/current consultative mechanisms and any current consultations excluding TUPE		
D11	Details of any apprenticeships		
D12	Details of any employee opted out of the pension scheme and anyone having		

	accessed their pension early following a break of service and reengagement		
D13	Details of any existing TOIL arrangements and commitments per employee		
D14	Details of any flexible working requests current or in the last twelve months		
D15	Details of any honoraria or ex gratia payments		
D16	Details of current OH provider and any associated contract		
D17	Details of current EAP/Counselling/staff wellbeing provider(s) and any associated contracts		
D18	Details of any Occupational Health Referrals/reasonable adjustments made during the past 12 months, including any Access to Work arrangements		
D19	Details of any on-going or future cost-bearing training commitments		
D20	Details of any probation arrangements and extensions including		

	extensions to ECT/NQT years		
D21	Details of any taxable benefits in kind or salary sacrifice scheme		
D22	Details of any unspent formal disciplinary/grievance processes where data protection law allows for this to be held		
D23	Details of any worker under the age of 18 along with risk assessments conducted		
D24	Details of contact time within directed time for secondary teachers and PPA arrangements for all teachers		
D25	Details of payroll provider and any notice period due		
D26	Details of previous TUPE processes in and out		
D27	Details of ring-fenced, spot salaries, or pay protection periods associated with regrading/restructure		
D28	Details of staff on current capability programmes and those supported within the preceding 12 months		

	and implications for performance management		
D29	Details of staff on secondments/maternity /paternity/adoption leave/sabbaticals/parental leave granted during the life of the contract		
D30	Hard and soft copies of all staff related policies - Note - safeguarding policies: Safeguarding and Child Protection, Staff Code of Conduct, Low Level Concerns and Whistleblowing covered by Safeguarding Due Diligence (Section I5)		
D31	Full details of any current and historic settlement agreements where data protection law allows for this to be held		
D32	Staffing Structure with TLRs and staff salary schedule including all casual staff/peripatetic/IR35 information and a copy of the payroll roll outturn statement for the last 12 months		

D33	Pension Auto-enrolment date, pension costs and potential strain payments		
D34	Confirmation of compliance with Gender Pay Gap reporting requirements		
Estates and Health & Safety Due Diligence			
E1	Inspection of the physical assets of the Trust/academy/school including Annual Maintenance Plans and any planned or on-going building works, asbestos and associated management plans and any outstanding Health and Safety issues		
E2	Review ownership of buildings and land e.g. freehold, leasehold, restrictive covenants, rights of access, public rights of way		
E3	Review strategic condition improvement & maintenance programmes		
E4	Review Fire Risk Assessment		
E5	Review fixed asset register		

E6	Review grant funding applications and associated liabilities		
E7	Review usage by other organisations – by whom, will they continue, terms of any sub-leases, income generated, any third-party utilities (e.g. phone mast), shared/community facilities		
E8	Most recent Health and Safety audit with action plan		
E9	Most recent Fire Risk audit and action plan		
E10	Copy of risk assessments		
E11	Review of Health and Safety audits		
School standards / Pupil Performance			
F1	Is there a single point of contact in the school with a good understanding of current performance data use across all key stages?		
F2	Do we understand current processes and systems in individual schools before they join?		
F3	Consider whether alignment of core		

	<p>policies or outline of expected practice is required in advance of official transfer i.e. assessment policy, standardised on entry testing, assessment calendar</p>		
F4	<p>How can current processes and systems support central team monitoring requirements?</p>		
F5	<p>Do current data / exams staff have recent job descriptions? Are there any non-standard working patterns agreed? (i.e. Not term time or full time) Are contact details for all relevant staff in place?</p>		
F6	<p>Are there financial commitments to performance monitoring or data systems beyond transfer date? If so for how long and what are the costs?</p>		
F7	<p>Does the current employer need to restructure or exit existing data/exams team staff before transfer? Are there</p>		

	vacancies in the current data / exams team structure that will be recruited before the proposed transfer date?		
F8	Is the school making use of specialist data / performance analysis advisory services? If so what are the contract and cost implications going forward.		
F9	Is performance information relating to the last 3 years available? Including unpublished information where appropriate.		
F10	Is there an effective performance data monitoring system in place? Can pupil data be extracted and uploaded to suggested new systems if appropriate/required?		
F11	Are there existing data integration systems in operation at the school? If so which system is being used (WONDE, Groupcall XOD, other) and where is this hosted?		

F12	What type of performance data records are kept by the school?		
F13	How is this information currently accessed and by whom?		
F14	How will the WeST central team access summary information going forward?		
F15	Who is the MIS provider? If different to MAT's provider, will we maintain the current provision for a set time or will we transfer to current provider? Is the MIS hosted? If so by who and what are current contract arrangements		
F16	What type and level of performance analysis duties are being undertaken in the school? Who is responsible for the delivery of this work? <ul style="list-style-type: none"> • Headline analysis • In year collection and analysis • Management information reporting including 		

	<p>absence and exclusions</p> <ul style="list-style-type: none"> • Maintaining and updating central MIS systems • School census • Performance reporting for specific monitoring responsibilities – Disadvantaged, CiC, SEN, PT timetables • Exams admin and support • Governor training and attendance at Governor meetings • Other 		
F17	<p>Pupil Performance information - Is the school able to supply:</p> <ul style="list-style-type: none"> • A copy of the most recent Ofsted IDSR and ASP reports • A copy of the current School Improvement Plan • A copy of the school assessment calendar 		

	<ul style="list-style-type: none"> A copy of the most recent Ofsted Inspection report and post Ofsted action plan 		
F18	Are predicted outcomes available for all Key Stages, including EYFSP and phonics for this academic year and the next? (Please insert)		
Data Protection Due Diligence			
G1	Does the school have a published Data Protection Policy and up to date privacy notices?		
G2	Is there a single point of contact in the school with a good understanding of current data protection requirements?		
G3	Is there a Data Protection Officer on staff or is this service commissioned from an external provider? If external who provides this service and what are the contract arrangements? Please provide a point of contact for data protection activity.		
G4	Have staff had access to recent data protection		

	awareness training? Are training records available to evidence any training provided and appropriate attendance?		
G5	Is there a record of data protection activity? SARs, data breaches, FOI requests, near miss register.		
G6	Is there a clear records retention policy in place? Who completes activity to ensure that information relating to records is monitored? Are details of file destruction / deletion up to date and accurate?		
G7	Are any records (pupils or staff) being held outside the standard retention period? If so, how many and who maintains information relating to this information.		
G8	Are there any planned activities relating to data protection due to take place this academic year? Are these activities contracted, are there any additional costs associated with these activities?		

G9	Is there a Data Protection Impact Assessment process that all staff follow to ensure that appropriate checks are made when new products are adopted?		
G10	How does the school ensure that organisational and technical measures are regularly monitored to ensure that systems are fit for purpose?		
G11	Are there any ongoing data protection related concerns, subject access requests or ICO investigations? If yes provide outline details and point of contact arrangements.		
G12	Has the DPO completed a data protection audit for the school? Is a copy of the report available? Is there a data protection action plan?		
Trust Considerations			
H1	Is the school located within the identified Trust area		
H2	Does the school share a common vision and ethos with WeST		

H3	How does the proposal fit into the growth plan		
H4	What are the strengths and weaknesses of the school		
H5	What are the opportunities and threats facing the school		
H6	Are there any current capacity issues		
Safeguarding Due Diligence			
I1	A copy of the Single Central Record	To be collected via HR Due Diligence – see section D1	
I2	Copies of all low-level concerns on record		
I3	Copies of all LADO issued minutes of Child Protection Strategy Meetings on record		
I4	Details of any LADO referrals on record and subsequent outcomes		
I5	Copy: of Safeguarding and Child Protection Policy; Staff Code of Conduct; Low Level Concerns Policy; Whistleblowing Policy		
I6	Confirmation of annual KCSIE, Staff Code of Conduct, Low Level Concerns and Whistleblowing staff declarations		

17	Confirmation of compliance with statutory safeguarding training		
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POLICY HISTORY

Policy / Version Date	Summary of change	Contact	Implementation Date	Review Date
March 2019	New policy	WeST HR	March 2019	September 2021
November 2021 – March 2022	Policy revised	WeST ELT	March 2022	March 2024