

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet Member and Advisers, Children and Young People's Services
2.	Date:	21st July, 2010
3.	Title:	Secretary of State for Education's Proposals for Academy Status
4.	Directorate:	Children and Young People's Services

5. Summary:

The report summaries proposals by the Secretary of State for schools to convert to Academy Status.

6. Recommendations:

It is recommended that the report is noted and that the Cabinet Member considers appropriate action resulting from the proposals.

7. Proposals and Details:

The Secretary of State wrote to the head teachers of all schools on the 26th May, 2010 encouraging them to express an interest in becoming academies. In particular he wrote to the headteachers of outstanding schools, encouraging them to consider “acquiring academy freedoms” from 1st September, 2010. This would be done under the Academies Bill, which is currently being debated in Parliament. Currently the DfE is aiming for it to receive Royal Assent by the end of July but other commentators think this is more likely to be mid September at the earliest.

An academy is an independently funded state school. If a school becomes an academy, then it will receive its budget from the Young People’s Learning Agency (YPLA), which also manages funding for all 16-19 year olds. It will no longer receive the funding from the local authority, as part of the Local Authority Scheme of Delegation. Its budget will be similar to the current one with an additional amount for services, whose budget is centrally held by the local authority.

Staff (through TUPE regulations) and land will be transferred to the newly formed Academy Trust, an independent charity. Essentially the Trust would be the existing governing body but significant change could be made to the constitution. Further detail on this is awaited.

The DfE has published a list of schools, who have expressed interest in becoming an academy. Only 3 schools in Rotherham have done this – Wales, Brinsworth and St.Bernard’s. Two of the latter are outstanding and have already passed governing body resolutions to convert to Academy Status. No primary school has expressed an interest, which includes the 14 outstanding primary schools and it is not thought that any special school has expressed an interest. Five out of the 6 special schools are outstanding.

The DfE has assigned a Project Officer to the LA, Wales and Brinsworth to ensure the conversion is a smooth process. He has written to the Strategic Director, asking the LA to cooperate and confirms the schools should be academies by 1st September, 2010, subject to Royal Assent to the Academies Bill by the end of July.

It should be emphasised the original bill’s intention was that governing bodies did not need to consult with any of their principal stakeholders (parents and the LA) before making their decision to convert. Wales and Brinsworth, however, did inform the Strategic Director of their intentions and have subsequently consulted with staff, children and parents.

It should also be noted that both Wales and Brinsworth have re-iterated their commitment to continuing to work with the local authority and to buying back all / the majority of services from Rotherham local authority.

It should be noted there is now an amendment to the bill which will require governing bodies of converting schools to “consult those persons whom they think appropriate before entering into funding arrangements with the Secretary of State”. The DfE is also providing further guidance on consultation good practice, but at the time of writing, this is yet to appear.

Rotherham's other outstanding secondary school is Wickersley and the Governing Body have passed an unequivocal resolution against Academy status. None of our six Special Schools, five of which are currently rated by Ofsted as outstanding, has yet expressed a formal interest.

The Secretary of State sets out certain freedoms in his letter, which would appear to be advantageous to schools. The appendix is a letter from the Strategic Director and Cabinet Member to all headteachers, governors and dioceses. It contains a commentary on these freedoms and sets out the issues within the context of Transforming Rotherham Learning.

8. Finance:

The appendix explains some of the financial details in the sections on school budgets. It is intended that the new academies will receive a percentage of the funding which local authorities currently retain from the Schools Budget. This supports a number of services, many related to support for children with special educational needs. The DfE has published a ready reckoner by which schools can calculate how much this amount may be, and in Rotherham LA, it is around 8% of the budget. However the ready reckoner produces the bizarre conclusion that, if all schools were to become academies, we would be handing over £3m more than we actually retain. Currently, the LA hands back £106,000 to the DfE for Maltby Academy. This ready reckoner proposes that it would be £572,500. Additionally, Wales and Brinsworth would receive £747,124 and £641,294 respectively. We are asking for further clarification on this from the DfE.

New academies would transfer any surplus balances to their new budgets. At the end of 2009/10, Wales balance was £91,975 and Brinsworth £270,594.

9. Risks and Uncertainties:

Risks and uncertainties are described alongside proposed actions to mitigate these.

- Speed of the actual conversion process for 1st September, 2010 may mean unnecessary difficulties for the TUPE transfer of staff.

Mitigation – it is proposed that any TUPE transfer will happen after the Royal Assent and it should be within a sensible timescale. There is a risk that staff will not receive their pay, if this is executed in haste. We have had experience with the Maltby Academy transfer and the current proposals would appear to be too hurried.

- The proposal could undermine the strong partnership work and the principles of Transforming Rotherham Learning as described in the appendix.

Mitigation – the appendix is a letter which describes these risks and will inform debate in governing bodies, when they consider the Secretary of State's offer. Additionally, the local authority should write to each school in the autumn to ask them to re-affirm their agreement to the principles of Transforming Rotherham Learning.

- Significant funding could be withdrawn from that part of the School Budget, which is retained by the local authority. (Section 8 gives the detail.) It could undermine the local authority's ability to continue to offer services, especially in the context of other budget reductions.

Mitigation – we will continue to ask the DfE to clarify their intentions and to challenge these through the Local Government Association. Additionally, Brinsworth and Wales have both stated they wish to continue to buy back local authority services so we will actively engage with them to confirm these agreements.

- Land and buildings will transfer to the new academies based on a 125 year lease, potentially undermining the local authority's ability to provide access for the community to the schools.

Mitigation – we will work closely with Environment and Development Services and the legal department to define exactly what must be transferred and what protection is afforded by existing Planning law; and work with the governing bodies of the new academies to agree principles of community access.

10. Policy and Performance Agenda Implications:

The proposals have the potential of making it more difficult to work in partnership with our schools. Policy and performance implications are also summarised in section 9 above. They may pose significant challenges to the fundamental aim of Transforming Rotherham Learning:-

“We are all responsible for all Rotherham's children and young people”.

11. Background Papers and Consultation:

- Secretary of State's letter to all schools on academy proposals of 26th May, 2010
- Children and Young Peoples Plan 2010-13
- Transforming Rotherham Learning – Strategy for Change

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