Academy Consultation
Humber Education Trust – Governors
21st March 2017
**Lessons Learnt**

**Reasons we are considering academy status**

- In charge of our own destiny
- LA capacity disappearing
- Shaping the provision to meet the future needs of our children, families and communities based on a local / collaborative proposal of working together and building on existing strong partnerships and good practice
- School to school support of our choice
- To develop the expertise of all staff to further improve effectiveness and outcomes for children
- To offer additional career opportunities for all staff making the Trust more attractive for high performing teachers/support staff
- To generate financial efficiencies to invest back into the classroom
The proposal

- 12 Hull Schools will form a new Multi-Academy Trust (MAT)

1. Adelaide Primary School
2. Broadacre Primary School
3. Christopher Pickering Primary School
4. Clifton Primary School
5. Ganton School
6. Gillshill Primary School
7. Maybury Primary School
8. Neasden Primary School
9. Parkstone Primary School
10. St Nicholas Primary School
11. Tweendykes School (pending governors’ approval)
12. Woodland Primary School
• Between August 2017 & January 2018
• No sponsor
• Other schools may choose to join the MAT later
• To ensure all schools in the MAT aspire to become outstanding
• To explore supporting under performing schools through academy sponsorship
What is an Academy?

• Publicly funded independent schools that are not managed by the local authority

• Sponsored and Convertors

• Can set pay and conditions for their staff and also change the length of terms

• Don’t have to follow the national curriculum

• Schools can’t acquire or remove their faith character, expand, become mixed or single sex, or introduce selection as part of the conversion process
What is a Multi-Academy Trust (MAT)?

- Charitable
- Company limited by guarantee
- Has 1+ “projects” known as academies
- Academies have no legal identity of their own
- Signs funding/legal docs with DfE to get funding for academies
- The employer
- Holds the assets (land and buildings) in Trust
What will be required to achieve Academy status?

**LEGAL**
- Establish Academy Trust
- Memorandum & Articles of Association
- Prepare corporate documentation
- Set up Bank Account

**GOVERNANCE**
- Determine Governance structure
- Appoint Members and Trustees
- Appoint Governing Bodies
- Appoint Advisors e.g. auditor

**BUILDINGS & LAND**
- Confirm ownership of Land
- Secure 125 year lease
  - (Foundation schools special case)

**STAFF**
- Due diligence on staff records
- Develop Academy staff policy and T&Cs
- Consult staff/unions on TUPE transfer
- Confirm transfer details to all staff

**SCHOOL ORGANISATION**
- Confirm Leadership & Staffing structure
- Length of Academy day/term
- Admissions policy and process

**FINANCE & ADMIN**
- Co-ordinated finances / CFO
- Operational funding & 3 year budget
- Finance systems inc. payroll
- Manage Service Agreements & Assets

Funding Agreement

Humber Education Trust

Gail Khan Associates
Maintained school – 1 level of governance: Governing Body

MAT - 3 levels of governance:

- Members (equivalent of shareholders)
- Trustees (previously known as Directors)
- Governors

Important to ensure decisions are passed at the right level – Scheme of Delegation defines this (key document)
Academy MAT Governance (emerging model)

Academy Trust:
5 Members
Skills/Background: Legal, Finance, Education, Business, Community

Academy Board:
Up to 9 Trustees

Academy Trust Board:

Governing Body

Committee’s –
Learning, Achievement & Progress
Finance & General Purposes

HR VACANCY
Audit / Finance VACANCY
Gerrard Gibbons

Graeme Brook
Colin Herrick
Stuart Spandler
Darren Downs
Leah De Vries

Gavin Barley
Steve Kernan
Paul Brown
Brian Stillings
Tony Wilmot

Graeme Brook

Gail Khan Associates
Governance in a MAT

**Trustees**
- Also known as “directors”
- Usually 7 – 11 in size
- Unlimited liability
- Ultimately responsible for what happens to MAT and academies (exception of Ofsted)
- Professional skills (not personalities)
- Cannot have more than 30% of representation being staff
- Cannot have more than 19.9% LA representation
- Can establish and delegate power (but not responsibility) to committees and/or to Governors under Scheme of Delegation
- Often left with strategic and school improvement role
Lessons Learnt

- TUPE briefing for staff and statutory formal TUPE consultation
- Liaison with Trade Unions
- Due Diligence
- Formal consultation (not statutory)
• All staff entitled to transfer under same employment terms and conditions – Transfer of Undertakings (Protection of Employment) (TUPE)

• Process assumes that terms and conditions will remain exactly the same – AS IS

• TUPE consultation should be sufficient time to be thorough but no prescribed length of time. The LA as the existing employer will manage TUPE consultation and process.

• Academy Trust will register with local government and Teachers’ Pensions Scheme, through admitted body status
What will happen to staff when they transfer?

• When TUPE applies it means that the contract of employment would automatically transfer to the academy trust

• The Academy Trust will ‘inherit’ all staff with their accrued rights, obligations and liabilities. In particular the Trust will be obliged to employ staff on their existing terms and conditions of employment – unless they declare measures prior to the transfer.

• A TUPE transfer will not break service or continuous employment

• The date staff members’ continuous employment started with the LA is the one on which any statutory employment rights would consider eg, for redundancy

• Pensions continue as they are now
Funding Implications

• Academies cannot run a deficit budget without remedial action – if a deficit develops after opening must agree restructuring plan with the EFA (Education Funding Agency). The LA has no obligation to assist.

• Money in existing school/delegated budget account belongs to LA – Academy Trust must open a new bank account to receive EFA funding – however any existing surplus balance will be paid over to the trust.

Financial Reporting:

• Accounts will be scrutinised by external auditors.

• Accounts will be completed by the Academy but we may need to buy in additional capacity and expertise for company and statutory returns.
Funding Implications

• VAT liability
• Insurance
• Remember – additional services you must purchase as an academy
• Pensions
• New FMS
• Academies Financial handbook
Opportunities

- You are in control
- Robust school to school support
- Charitable status
- Financial efficiencies
- Curriculum freedoms
- Funding agreement for 7 years
- Ability to change school day, term time, terms and conditions
- Can source contracts which may represent better value for money
- Potential support from partners
- Own admissions authority
- Capital investment
- CPD and recruitment advantages
Common Concerns

- Having it forced on you
- Capacity in school, DfE and Local Authority
- Employer liabilities / TUPE (real & perceptions)
- Drop in standards during conversion
- The comfort blanket
- Experience and skill set of Governors
- Cost
- Pension liability
Next steps

- Formal consultation 13th March – 7th April 2017
- TUPE process – 4th May 2017 - ongoing
- Trust Development plan – agree priorities
- Recruit Members and Trustees
- Develop the partnership
- Agree a Trust scheme of delegation
- Academy working group
- Regular communication with staff / parents
Any questions?