

TELFORD & WREKIN COUNCIL

CABINET –31 JANUARY 2013

**PLANNING OF SCHOOL PLACES:
SCHOOLS WHICH HAVE OR ARE PLANNING TO CHANGE THEIR STATUS**

**REPORT OF THE ASSISTANT DIRECTOR FOR EDUCATION, CULTURE AND
SKILLS**

LEAD CABINET MEMBER – COUNCILLOR PAUL WATLING

PART A) – SUMMARY REPORT

1. SUMMARY OF INFORMATION

1.1 At the current time a number of schools within the Authority have either changed their status or are planning to do so within the next few months. The purpose of this report is to give detail of all the changes and explain what impact they may have for the Council in the future.

2. RECOMMENDATION

That Cabinet receives and takes note of all the information relating to schools' change of status contained within this report.

3.SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	<i>Children & Young People – to consult and involve all stakeholders with a vested interest in children's education and safety</i>
	Will the proposals impact on specific groups of people?	
	Yes	<i>Children and Families living within the Wards served by the schools</i>
TARGET COMPLETION/DELIVERY DATE	<i>Some schools have already changed their status. Others are due to convert between April and September 2013</i>	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	<i>See financial impact section of the report below</i>
LEGAL ISSUES	Yes	<i>Changes to school organisation are governed by the requirements of the Education and Inspections Act 2006</i>

		<p><i>and Guidance from DfE. These changes of status are initiated by the schools concerned and not the Local Authority.</i></p> <p><i>. Where schools are considering transferring to Trust status, the transfer of staff and land is governed by the following legislation:</i></p> <p><i>School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2007 (as amended by The School Organisation and Governance (Amendment) (England) Regulations 2007 which came into force on 21 January 2008</i></p> <p><i>The School Organisation and Governance (Amendment) (England) Regulations 2009 which came into force on 1 September 2009).</i></p> <p><i>The School Organisation (Requirements as to Foundations)(England) Regulations 2007.</i></p> <p><i>There are also potential for disputes between newly created bodies and a Local Authority with regards to the transfer of land and particularly with regards the transfer of contracts held by the school changing status e.g. where a newly created Trust refuses to become a party to an existing school contract the Local Authority may have to stand the cost of its early termination</i></p>
OTHER IMPACTS, RISKS & OPPORTUNITIES		
IMPACT ON SPECIFIC WARDS	Yes	<p><i>The individual school changes of status will impact on the individual wards within which schools are located. However there is potentially Borough wide impact due to parental preference in choosing which schools children attend.</i></p>

4.PART B) – ADDITIONAL INFORMATION

4.1 There are currently two groups of schools which have opted for trust status.

These are firstly - **The Wrekin Co-operative Learning Trust** which has been formed by Short Wood Primary School, Limekiln Lane, Wellington and Wrekin View Primary School, North Road Wellington. This trust was set up with effect from 1st September 2012.

4.2 The other group is known as **The Beacon Co-operative Learning Trust**. This has been formed by The Charlton School, Severn Drive, Wellington and four of its local primary schools - Apley Wood Primary School, Pool Farm Avenue, Apley, Crudgington Primary School, Crudgington, Dothill Primary School, Severn Drive, Wellington, and High Ercall Primary School, Church Road, High Ercall. This trust was set up with effect from 14th December 2012.

4.3 When a community school changes its status to become a trust the land on which the school stands and which is used by the local authority for the purpose of the school has to be transferred to, and will vest in the trust body. Staff, teaching and non-teaching, employed by the council on behalf of the school are also transferred so that the trust becomes their employer. All the primary schools which have become trusts have changed status from being community schools. None of them are intending to alter the terms and conditions of their staff. Land transfer has to be completed within 6 months of the trusts foundation and is ongoing for all these schools. The schools also become their own admission authorities but again none of them are currently planning to alter their admission arrangements from those they have used as community schools.

4.4 The Charlton School was already a Foundation School, its own admission authority with its own land and staff and so changes there have been minimal.

4.5 In addition there are four secondary schools currently applying to become academies by 1st April 2013.

4.6 Three of these schools are planning to form a Multi-Academy Trust (MAT) to be known as the **Telford Co-operative Multi Academy Trust**. Members of the Governing bodies of Wrockwardine Wood Arts College, Sutherland Business and Enterprise College and the Phoenix School are working with representatives from the Schools Co-operative Society and the Council to set up a multi academy trust. The Lord Silkin School has also applied to become an academy but with slightly different partners but still including the Schools Co-operative Society and the Council.

4.7 Three of the four schools are already trust schools and as such each is its own admission authority with its own land and staff. The Phoenix School is currently a community school and so will have to have both staff and land transferred to it.

4.8 When a school becomes an academy it is usually granted a 125 year lease on its site and all the staff, land and assets transfer to the governing body. This is done using various legal agreements including an overarching commercial transfer agreement.

4.9 In the case of each of these academies the situation is complicated by the fact that the land and premises currently used by the school is different from the one they will occupy once the BSF project is complete. This situation will mean that in some cases temporary leases will have to be granted and building agreements entered into to take account of schools moving to new sites. A site given up by a trust/foundation

school or academy reverts to the authority. This will not affect the current assumptions made in terms of the expected receipts within the BSF programme.

4.10 The Council has developed a vision of Co-operative Learning Communities whereby school and community facilities, whether co-located or not, will be accessible to the whole community. Any land or asset transfer agreement will need to incorporate sufficient and appropriate protections to ensure that community access is at least maintained and where possible enhanced. Each individual transfer will need to be considered in respect of both current and future opportunities for community use. For example: the use of school playing fields and sports facilities to facilitate increased community physical activity opportunities.

5.IMPACT ASSESSMENT – ADDITIONAL INFORMATION

5.1 The net effect of all the changes in status mentioned above is that the council will make over an amount of land to each school either as an outright transfer or on a 125 year lease. Outline plans of each site are attached at appendix 1.

5.2 A number of teaching and non-teaching staff will cease to be employed by the council and instead be employed more directly by the schools and academies. None of the schools converting is currently planning to alter the terms and conditions of their staff.

5.3 From April 2013, if all the proposed academy conversions go ahead on schedule, of the 14 state funded secondary schools within the Borough there will be:

1 City Technology College
2 Foundation/Trust Schools
8 Academies
1 Aided
2 Community Schools
and of the 53 state funded primary schools
8 Foundation/Trust schools
1 Academy
7 Aided
37 Community/Controlled schools

6 FINANCIAL IMPACT

6.1 When community schools become Trusts, they remain maintained schools, to which the Council's Scheme for Financing Schools and funding formula apply in a similar way to community schools. However, one significant change is that Trust schools become eligible for National Non Domestic Rates (NNDR) relief of 80%. As NNDR is funded via the schools funding formula based on actual costs, this has no net financial impact on the individual schools' budgets but results in a saving to the overall Dedicated Schools Grant of around £100,000 which can be reinvested in the overall school budget. This only applies to the new primary school Trusts however, because as a Foundation School Charlton was already in receipt of this relief. There will be an impact to the council of approximately £50,000 in lost rates revenue.

6.2 Changes in the current arrangements for recoupment of Council funding for the impact of Academies are part of the changes relating to the formula grant and

proposals for Business Rates Retention. These changes result in a separate Education function grant being payable to Councils and Academies, created from a top slice of the formula grant. The total value of this grant for T&W has been announced as £3.717m. This covers all pupils in all state funded schools and the grant will then be payable to each organisation based on their pupil numbers, the element that will be payable to the Council will not be confirmed until early in the New Year. £116.46 will be deducted from the Council's Education Services Grant for each pupil attending an academy school and based on 2,283 pupils in the four schools proposing to convert (pupils recorded at the October 2012 census), the reduction in the Education Services Grant would be £266,000. This will be in addition to the adjustment for existing academies. The 2013/14 Budget strategy reflects the expected reduction in the new grant for existing academies and the 4 new ones proposed. Due to protection arrangements put in place for academies by the DfE the net gain to the converting schools would be a larger figure. TD 3.01.13

7.PREVIOUS MINUTES

None

8.BACKGROUND PAPERS

None

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