

Bath & North East Somerset Council

MEETING:	Early Years, Children and Youth Policy Development and Scrutiny Panel
MEETING DATE:	18 July 2011
TITLE:	The development of academies in Bath and North East Somerset – Update Report
WARD:	ALL

AN OPEN PUBLIC ITEM

List of attachments to this report:

1 THE ISSUE

- 1.1 To inform the Panel of the current position and work underway to prepare for the future.

2 RECOMMENDATION

The Panel is asked to agree that:

- 2.1 To note the report

3 FINANCIAL IMPLICATIONS

- 3.1 Each school which converts to become an academy receives two elements of funding direct from the DfE. The first is modelled on the local formula for funding schools. The second element is the DfE assumption of the overall running costs of the Local Authority that relate to that individual academy. This includes part of the costs of our democratic structures, the support infrastructure of the whole Council as well as the central costs associated with being an education authority.

- 3.2 For 2011-12 the DfE 'top sliced' £425k from the grant settlement of the Local Authority. For 2012-13 the indicative top slice is £335k. However, the LGA has supported 27 Local Authorities in seeking a judicial review of the methodology used to calculate the top slice as a number of Local Authorities which have no academies have had their grant cut. This legal challenge may alter the methodology used by Government; it is not clear if or how this would manifest itself at this time.

- 3.3 The Council has treated the top slice for 2011-12 as a corporate i.e. whole-Council issue rather than a matter to be handled and funded purely from the Children's Service. This is the correct approach as the top slice is of all Council functions not just those related to children and young people. However, this does throw up a number of challenges for the Council about the continuation of statutory services when faced with year on year grant reductions. Hence the need

to consider statutory duties, service tipping points and future models of service delivery.

4 THE REPORT

4.1 Background

The Academies Act 2010 provided a route for the Secretary of State for Education to determine those categories of schools which could seek to become academies.

This is a significant departure from previous policy where only those secondary schools in a Ofsted category or with a long period of under-performance were converted to academy in order to improve pupil attainment and achievement.

Initially the Secretary of State announced that only those schools judged by Ofsted to be 'outstanding' could convert to become an academy. The school had to name another school or schools it would work with to raise their standards.

Under this announcement a small number of local schools applied to become academies i.e. Norton Hill School and Somervale School; Oldfield School and Trinity CE Primary School.

In Spring 2011 the Secretary of State announced that schools judged by Ofsted to be 'good with outstanding features' or 'good' could convert to become an academy. In April/May 2011 the 'bar' was removed and all schools were allowed to convert, with those judged as 'satisfactory' converting with a partner 'outstanding' school.

In September and October 2010 the Local Authority held four discussion workshops with Chairs of Governors and Head Teachers, only a small number of schools did not attend a workshop.

As a result of the workshops the Local Authority decided on a number of actions:

- (i) To review all service areas to establish their level of financial and operational vulnerability if schools that converted did not buy back their services
- (ii) To consider alternative models of operation which could secure critical and valued services even if not provided by the LA
- (iii) To develop a policy and approach towards academies and Free Schools which also recognised the needs of those schools uninterested in conversion
- (iv) To report back to a stakeholder conference in September 2011 with a view to consultation on service re-structuring during Spring 2012

4.2 Present Position

The academies project has been progressing at a substantial pace. Initial focus was placed upon dealing with the immediate issues which arose with 'early converters' around contracts for services, provision of formal advice, indemnity insurance etc,

By 30 June the following have been put in place:

- Standard Contract for services which all Council services selling services to an academy can use and modify to their specific needs

- A list of nominated Senior Officers from whom any school considering becoming an academy can seek definitive advice
- A Buyer's Guide which lists all services able to trade with academies, the guide includes service standards and prices
- A compendium of all matters relating to the consideration of becoming an academy. This is for Governing Bodies and Head Teachers; it brings together all sources of information into a single document.

All of the above are available to schools via the Merlin system which allows the Local Authority to provide advice, information and guidance in a targeted manner. In future this can be converted to a subscription model so that Local Authority advice previously provided to all schools free of charge will only be received by those schools paying a fee or subscription.

In addition to the above two one day per week secondments for primary head teachers began on 1 May. These are focussed upon researching existing collaborative models between schools to look for best/effective practice and understanding what services and what forms of service are most supported by schools.

At the same time service managers are reviewing their service models and costs and seeking to establish the point at which the integrity of their service offer would be compromised if academies and other schools decided not to purchase. These 'tipping points' will vary from service to service and will be influenced by (i) the nature of the service i.e. is it 'transactional' or 'transformational' and (ii) the number of academies/schools that decide not to buy in the service. An example of the former would be payroll services and of the latter would be Educational Psychology.

The Local Authority has also to consider its ongoing statutory functions i.e. some services must continue on as we are statutorily required to ensure their provision to children and young people.

Children's services are also working with corporate finance colleagues to determine the impact of academies upon the support service infrastructure of the Council.

All of this work will inform the September planning conferences.

4.3 Future Options

There are a number of 'unknowns' at the present time i.e. the outcome of the legal challenge mentioned above, the possibility of moving to a national funding formula for schools, the number of schools both locally and nationally that may eventually opt to become academies etc.

The Children's Service with other departments will be bringing all of the work outlined above into a series of reports and workshops in September 2011. This will form the basis for discussion and consultation on the future role and structure of our education services and in turn this will contribute to the wider structure of the new People and Communities Department.

5 RISK MANAGEMENT

5.1 A risk assessment related to the issue and recommendations will be undertaken, in compliance with the Council's decision making risk management guidance at the appropriate time.

6 EQUALITIES

6.1 A proportionate EIA will be completed at the appropriate time.

7 CONSULTATION

7.1 *Cabinet Member; Trades Unions; Overview & Scrutiny Panel; Staff; Other B&NES Services; Service Users; Stakeholders/Partners;*

7.2 Consultation is ongoing through the work undertaken

8 ISSUES TO CONSIDER IN REACHING THE DECISION

8.1 *Social Inclusion; Customer Focus; Sustainability; Young People; Human Rights;*

9 ADVICE SOUGHT

9.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) will contribute at the appropriate time.

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Background papers	<i>List here any background papers not included with this report because they are already in the public domain</i>
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