

# **The impact of new academies and free schools on schooling in Croydon**

**Scrutiny Task & Finish Working Group**

## **Final Report**

**A Task & Finish Group commissioned by the  
Education Scrutiny Sub-Committee**

**April 2012**

## Contents

Introduction	2
The legal framework: the Academies Act 2010 and the Education Act 2011	3
Terms of Reference	4
Methodology	5
Findings, conclusions and recommendations	6
Final conclusions	13
Full Recommendations to Cabinet	15
Glossary	17

# The impact of new academies and free schools on schooling in Croydon

## Scrutiny Task & Finish Group

### Final Report

### Introduction

“We want every school to be able to shape its own character, frame its own ethos and develop its own specialisms, free of either central control or local bureaucratic constraint . . . our direction of travel is towards schools as autonomous institutions collaborating with each other on terms set by teachers, not bureaucrats.”

*The Importance of Teaching: The Schools White Paper 2010.*  
Presented to Parliament by the Secretary of State Michael Gove MP

“[An academy] belongs not to some remote bureaucracy, not to the rulers of government, local or national, but to itself, for itself. The school is in charge of its own destiny . . . academies have just one thing in mind, something shaped not by political prejudice but by common sense: what will make the school excellent.”

Tony Blair: *A Journey*

Since September 2010 over 1,600 schools nationwide have become academies under the provisions of the Academies Act 2011. According to the Department for Education 45% of all maintained secondary schools have either become, or are in the process of becoming, an academy and there is an upward trend for more conversions. 24 free schools across the country also admitted pupils for the first time in September 2011, following over 300 applications by groups to open a free school in the first application window.

The Coalition Government is committed to supporting the expansion of both academies and free schools over the coming years. However, there is an element of uncertainty regarding the benefits and disadvantages of the approach and the impact on those schools that continue to be maintained by the local authority. The provisions of the Academies Act allow for new academies and free schools to have ‘their’ allocation of the ring-fenced education grant from central Government diverted directly to the new school, rather than to the local authority. Government guidelines state that academies and free schools would then control these funds to buy whichever services they felt they required, rather than having to use the local authority’s support services. The Government argues that academies will benefit from greater freedoms to innovate and raise standards. These include:

- Freedom from local authority control
- The ability to set their own pay and conditions for staff
- Freedoms around the delivery of the curriculum
- The ability to change the lengths of terms and school days

Members of the Education Scrutiny Sub-Committee have expressed concern that the continued growth of academies and free schools in Croydon could have an impact on the remaining maintained schools. In theory, the more academies and free schools there are in

the Borough, the lower the funding received by the Council to ensure quality of learning in its maintained schools. The Task & Finish Group was therefore commissioned by the Education Scrutiny Sub-Committee on 18<sup>th</sup> October 2011 and sought to understand what impact new academies and free schools could have on the school landscape of Croydon and the education of the Borough's children.

## **The legal framework: the Academies Act 2010 and the Education Act 2011**

Academies were first introduced under the Labour Government in 2000 as a means of turning around the worst-performing secondary schools. Until 2007, academies had the freedom to set their own curriculum, but those established after 2007 were required to follow the national curriculum. Academies were formed when under-achieving schools or those in special measures were taken over or replaced by educational sponsors. The expectation was that the greater independence to pursue innovative policies and the experience of the sponsor would help to drive up standards and attainment.

The Academies Act 2010 received Royal Assent on 27<sup>th</sup> July 2010, forming the legislative foundation of the Coalition Government's academy policy. The Act enabled many more schools to become academies by removing the requirement for a school to be struggling before conversion. Academies were to be funded at a comparable level to maintained schools, but their 'share' of central Government funding would go straight to the school to purchase services, rather than through the local authority. The Academies Act:

- Enabled all maintained schools to become academies, with schools rated 'outstanding' by Ofsted being pre-approved
- Extended the academy programme to primary and special schools
- Allowed for all schools to become academies in their own right (ie removing the requirement for a sponsor)
- Provided the Secretary of State with the power to issue an academy order that requires the local authority to cease to maintain the school
- Removed the requirement to consult the local authority before opening an academy

Further provisions were made in the Education Act 2011 when it received Royal Assent on 15<sup>th</sup> November 2011. The Act implemented much of the policy outlined in the 2010 White Paper, *The Importance of Teaching*, and built on the provisions of the Academies Act. It:

- Removed the duty on local authorities to appoint a School Improvement Partner for every school
- Extended the Secretary of State's powers to intervene in underperforming schools
- Removed the requirement for academies to have a specialism
- Required local authorities seeking to establish a new school, when it considers there is a local need, to first invite proposals for an academy. A community or foundation school could only be proposed if there were no proposals for an academy submitted
- Required for maintained schools converting to an academy to carry out appropriate consultation
- Clarified the provisions relating to the transfer of land to academies
- Extended the remit of the schools adjudicator to consider objections to admission arrangements of academies

## Terms of Reference

The members of the Task & Finish Working Group were:

- Mr James Collins (Chairman)
- Mrs Elaine Jones
- Mr Brendan FitzGerald
- Cllr Clare George-Hilley
- Cllr Michael Neal
- Cllr Paul Scott

At the first meeting of the Group, it was agreed that the following subjects would be considered:

- The Council's current strategic policy toward academies and free schools
- The current services provided by the Council to schools in the Borough, with the intention of understanding what resources were required and whether the service could continue to be financially viable
- The powers of the Council to influence academies' decisions regarding the running of the schools (eg admissions criteria, delivery of the curriculum, make-up of governing bodies)
- Funding arrangements and financial implications

Members of the Group also identified a number of areas where they had concerns, and agreed that these would underpin their investigations:

- The role of academies in the community once the conversion process is complete
- The risk of losing experienced or high-performing staff members from the Borough, as independent schools seek to reduce costs
- What would be the role of the Council should an academy begin to show signs of declining performance? What are the Council's statutory responsibilities?
- If academies operate a preferential admissions policy oriented towards attracting the brightest and best pupils, what happens to the rest?
- How can the conversion process be managed to ensure the best outcomes for young people?
- How is the value added by academies measured?
- What are the capital funding arrangements? Will academies and free schools mean that there is less in the 'pot' for maintained schools? Are there any measures available to prevent schools that the Council is currently investing in from converting immediately?
- Implications for Looked After Children and Unaccompanied Asylum Seekers
- How many statemented young people get a place at an academy if it is named on the statement?

The Group's expected outcome was to make a contribution to the Council's policy on how to manage and respond to the Government's academy programme and promotion of greater autonomy for schools. It was also anticipated that the Group's work would lead to an improved understanding from schools, parents and local communities on the full extent of the implications of the academies programme. The Group commenced its work in November 2011 and agreed to submit its Final Report to the Education Scrutiny Sub-Committee taking place in April 2012.

## Methodology

The Group's work was member-led and it conducted its investigations by inviting a number of witnesses to attend meetings and engage in discussions on the topics listed in the Terms of Reference. Witnesses included officers from Croydon Council's Children, Families & Learners department, as well as external representatives from local academies and local teaching unions.

At the first meeting members considered and agreed the scope of the review, as described above. The following work programme and witnesses were agreed:

### Meeting two:

- The Council's existing approach to academies and free schools
  - Witness: the Director of Learning & Inclusion

### Meeting three:

- The experiences of a conversion academy
  - Witness: Executive Principal of The Quest Academy (Coloma Trust)
- The teachers' perspective
  - Witnesses: Local Secretary for the NASUWT and the Local Secretary for the NUT

### Meeting four:

- Site visit to the Gonville Academy
  - Witness: Headteacher of the Gonville Academy (the Step Academy Trust)

### Meeting five:

- The provision of services by the Council and its future role in education
  - Witnesses: Strategic Lead for Commissioning for Education Improvement and the Traded Services Business Manager

The Group also received and considered third-party research including an extensive paper published in September 2011 by London Councils, *The changing education environment in London – a schools' perspective*. London Councils commissioned EdComs, an independent communications and research agency to engage headteachers and Chairs of Governors across London's 33 local authorities. The findings of the report were based on qualitative and quantitative research involving 347 school leaders across the capital.

## Findings, conclusions and recommendations

### *The Council's existing approach to academies and free schools*

At its meeting with the Director for Learning & Inclusion, the Group noted that whereas in the previous incarnation of academies it was local authorities that instigated and approved their establishment, recent changes to legislation meant that the Secretary of State for Education now made the decision. If he deemed it necessary, the Secretary of State could also force an under-performing school to become an academy and be removed from local authority control (as was currently happening at Downhills Primary School in Haringey despite parents, governors and teaching unions arguing for more time to improve). Consequently, members of the Group agreed that the education landscape of the Borough would change fundamentally with an ongoing growth in the number of academies and the Council's role was therefore to accommodate this change and respond to it.

Members of the Group were encouraged by the open approach taken by the Council so far and officers' consensual approach to engaging academies and welcoming of greater diversity of educational provision. It was recognised that the Council could not dictate how academies were run and that any council involvement depended upon the goodwill of an academy. Given this, members felt that taking an adversarial approach or attempting to limit the growth of academies would be self-defeating and would ultimately harm the education of the Borough's children. It was however recognised that the Council still had an important role to play in local education, particularly as the Children's Act 1989 gave local authorities a statutory responsibility to ensure an appropriate and effective education for all children within its boundaries. The Group was therefore in favour of the Council seeking to engage academies in an equal and respectful dialogue that promoted a positive working relationship based on partnership and trust. The view of the Group was that the Council should seek to support academies in the delivery of education wherever possible, but respect an academy's right to choose its own path and make its own decisions. Members hoped that by taking such an approach, academies would be encouraged to be equally open and share certain performance data to allow the Council to fulfil its role as a monitor. Academies are not under a legal obligation to share information on attainment, exclusions or absence, so the sharing of such data depends upon a positive working relationship. In order to foster such a relationship, the Group agreed that the Council should allocate resources to provide a consulting advisor for schools going through the conversion process and a designated officer to work with each academy.

The Group welcomed the efforts to encourage academies to participate in and engage with the wider education community in the Borough. In particular, members were keen to see the continuation of the decision by the Schools Forum to allocate £300,000 to fund high performing schools to work in partnership with lower performing schools to drive improvement, and the ongoing participation of academies in the programme. Members wished to see council officers use their knowledge and expertise to help to identify and arrange effective partnerships that were mutually beneficial as they recognised that the Council no longer had the capacity to be the sole provider of school improvement. It was agreed that the Council had a role to play in assessing the characteristics and needs of individual schools and to ensure that partnerships were compatible. In order to achieve this, members were of the view that the Council would need to recognise that there was not a 'one size fits all' approach to improving school performance and pupil attainment.

The Director for Learning & Inclusion also outlined the Council's current approach to free schools in the Borough. Members noted that there were currently no free schools in Croydon,



but that there had been six groups that had expressed an interest in establishing one, although these did not progress further. The Academies Act 2010 made provision for a free school to be set up without the need for groups to consult with the local authority, and once set up they would operate as any other academy with the same freedoms and funding arrangements. Free schools were envisaged by the Government as being schools established by groups of parents, teachers, charities, religious or voluntary groups in areas where they felt that the local authority was not sufficiently meeting local needs. Members of the Group were concerned that without the requirement to consult with the Council, a free school in Croydon would have the potential to undermine all local planning for capital investment and pupil places. It was agreed therefore that if a group felt that a particular need was not being met locally, they should be encouraged to share their concerns with the Council to explore whether the provision in existing schools could be adapted. If this proved to not be appropriate or possible, then the Council should work with any parties hoping to open a free school and help to identify appropriate sites and offer professional guidance and assistance. The Council should also encourage groups establishing a free school to take account of demographic data and population trends to ensure that any new school has a sustainable demand for places to avoid a surplus of places in parts of the Borough where demand is low.

### Recommendations

- i) The Council needs to adapt its role in education to become a co-ordinator, facilitator and broker of partnerships, rather than the more traditional paternal top-down approach. A consulting advisor should be offered to all schools undergoing a conversion and there should be a designated link officer for all academies
- ii) Through encouraging a consensual, partnership approach the Council should seek to work with academy providers to ensure that performance data is shared to enable the Council to monitor the quality of education in the Borough and meet its statutory obligations
- iii) The Council should be open to working with groups wishing to establish a free school and encourage the free school sponsors to share issues that they feel are not being addressed by the current education provision in Croydon. The Council should also help to identify potential sites and share population data to ensure any new schools are viable

### *The academies' perspective*

The Task & Finish Group met with the Executive Principal of the Quest Academy, who was also the Headteacher at Coloma Convent Girls' School. In 2010, the Coloma Trust was chosen as the preferred sponsor for an academy at Selsdon High School, which was judged to be a failing school, and opened the Quest Academy on the site of the old school. Coloma Girls' School was not an academy itself, although it was considering converting to become one. The Group was informed that there were a number of requirements placed on the school during the conversion, such as the need to hire a project management company and an obligation to prepare an outline in advance of how it would transform the school and improve attainment and teaching from year one. The Executive Principal explained that the conversion process was often difficult, largely because all parties were on a steep learning curve. During the conversion there was goodwill and support from the Council, with officers



helping where they could. In terms of support from the Department for Education (DfE), the Group was informed that the individual officer supporting the school was excellent, but there was no formal guidance from the Department. Members of the Group therefore agreed that the Council should work with recently converted academies and the DfE to develop a 'conversion handbook' in order to clarify the roles and expectations of all parties, and to assist parents and pupils in their understanding of the process.

Members of the Group also met with the Headteacher of the Gonville Academy, which was a primary academy and part of the Step Academy Trust. Gonville was a high performing primary school that had begun to work with David Livingston School, which was struggling at the time, through the City Challenge programme. This partnership was then formalised through the formation of the Step Academy Trust. Since then the trust has also begun to work with Applegarth Junior School, which was also in need of improvement. The Headteacher at Gonville reinforced the view expressed by the Executive Principal of the Quest Academy that partnership working between schools was vitally important and highlighted the need for willing and equal partners. He also noted that he did not believe there would have been sufficient benefits had Gonville chosen to become an academy in isolation without its partners. By pooling resources and sharing best practice to promote the cross-fertilisation of ideas, all partners in the two trusts benefited. The Headteacher from Gonville remarked that the partnership could just have easily have been formalised by forming a federation, but that academisation was viewed as being preferable as it symbolised clearly the break from the past and the new beginning. The Group welcomed the willingness to form partnerships with schools in need, and the Council's contribution to forming them. Both witnesses placed a significant emphasis on the 'moral purpose' of education and there was an evident commitment to improving standards to benefit as many children as possible. Members noted that this commitment was the foundation of partnership working and agreed that where possible, small chains of engaged and equal partners would be preferential to larger academy providers that crossed several boroughs and managed more 'at arms length'. The Group was keen that any academy trust that had successfully improved educational standards for its pupils should be encouraged to work with other local schools that were under-performing.

The Group discussed with the Executive Principal from the Quest Academy the efforts made to improve the school in its first year and the experience of communicating the new expectations of pupils. She explained that a key driver for the improvement in the school was ensuring that all pupils had a clear understanding of the values and behaviour that was expected of them. The change from Selsdon High to the Quest Academy allowed the school's leaders to illustrate a shift-change in expectations and to communicate to teachers, staff, pupils and parents that they all had a role to play in promoting respect and understanding to create a culture where their behaviour was appropriate for teaching. The Group noted that in its first year Quest experienced an unusually high number of permanent exclusions. The Executive Principal explained that this was not a conscious effort to remove the 'difficult' children from the school, but that the academy was being robust in its expectations of pupils. It was noted that the number of exclusions was substantially lower in the academy's second year and that the independent appeals board had not overturned any of the exclusions. The Executive Principal argued that it was the purposely-demanding expectations of pupils that had yielded the vastly improved results; however this was only possible because the school had been clear from the outset and communicated its intentions to pupils and parents. Similarly at Gonville, the experience had been that communicating the reasons for the partnership and the vision of the Trust clearly had avoided any local opposition to the change.

The witnesses that the Group engaged with agreed that becoming an academy was not the only way of improving a school's performance. The main driver of success at Coloma and Gonville before its conversion was the presence of an effective and motivated leadership – the academies were not a success because they were academies, but because they were schools with high quality leadership. Members of the Group were of the view that an effective leadership team is more important than any particular governance system and that all types of schools had the capacity to deliver success if run and managed well. A change of leadership or the creation of a foundation trust could both create conditions for improvement in struggling schools, but the Group recognised that becoming an academy demonstrated a fresh approach and 'clean slate'. One witness spoke of the challenges in the first year of being an academy and that many of the issues faced in the early months were the result of poor leadership and management from when the school was a community school. For example the school had a teaching staff appropriate to meet the needs of over 1,000 pupils, despite the school only attracting an intake of less than 500. This had created the need for immediate redundancies and the installation of a new leadership team.

An incentive for some schools to become an academy is the expectation that doing so will release increased funding and capital. Whilst both Quest and Gonville received additional funding, the Group was informed that it was less than was originally anticipated. It was estimated that an academy receives a windfall of funding in year one, but thereafter their funding is only around 3% more than other schools, and they have to purchase the services previously provided centrally. When they visited the Gonville Academy, the members of the Group were however impressed by how the school had been able to make so many physical improvements to its buildings. The Headteacher explained that the school had received £183,000 of capital funding from the Government when it converted, which was particularly welcomed as despite the acknowledged need by the Council, the school had not received any capital funding whilst it was maintained by the local authority. He also highlighted instances where the school had had the freedom to bypass the Council's approved suppliers to benefit from substantially better value for money.

### Recommendations

- iv) The Council should work with existing conversion academies, the DfE and London Councils to develop a 'conversion handbook' to help future schools (and their pupils) that are considering converting and to highlight ways in which the Council can assist the process
- v) The Council should consider, as a first priority, working with local academy chains and clusters with equal and engaged partners that display a willingness to support neighbouring schools
- vi) Council officers should work with schools converting to an academy to ensure that the purpose, intentions and reasons for the conversion are clearly stated and communicated to pupils and parents to foster support and buy-in to a new way of working, and to contribute to the development of a positive working relationship with the academy
- vii) The Council should not view academies as the only route to high performance and should work to improve or replace the leadership of struggling schools rather than supporting academisation as the default solution
- viii) The Council should review its school procurement guidelines and find ways that the value for money achieved by academies for capital project building work can be replicated in its maintained schools

### *The teachers' perspective*

The Task & Finish Group met with local representatives of two teaching unions, the NUT and NASUWT. Both representatives agreed that leadership was more important than school structure, and also that academies could produce a democratic deficit whereby they could not be held to account should they show signs of poor performance. It was argued that when a local authority-maintained school began to struggle, the Council could work with it to improve results and offer specialist support. However the Council could not do this with academies and as such the unions were concerned that local authorities would be held responsible for failed schools that they were powerless to improve. The witnesses explained that they had experienced significant variance in the level of involvement of some academy trusts, with some showing a clearer commitment to educational quality and being more engaged in the running of schools than others. The Group agreed that it was unclear what role the Council was expected to play should an academy show signs of declining standards, and who would be responsible should an academy be placed in a failing category by Ofsted. With the Council's statutory duty to protect the interests of all children in the Borough in mind, the Group agreed that the Government should be lobbied to provide clearer guidance.

The representatives from the unions also identified that the local authority was a vital independent adjudicator should there be any disputes between one of their members and a school, and that there was no such impartial actor if the teacher with a grievance was at an academy. The Group agreed that the interests of staff should not be adversely affected by a school's choice to become an academy. Members did not think that converting would necessarily affect teachers' working conditions but they agreed that, should the need arise, the Council should consider providing an impartial adjudicator service, possibly through an academy's LA Liaison Officer.

#### **Recommendations**

- ix) The Council should lobby Government to establish what the procedures and responsibilities would be, should an academy be found to be providing an inadequate education to Croydon's children, and communicate any progress to members
- x) The Council is an important impartial adjudicator in employment disputes between schools and staff. The feasibility of offering to perform a similar role for academies through traded services should be explored

### *The provision of services by the Council and its future role in education*

The Group discussed academies and free schools with officers from the Council's school improvement service, who explained that the service had undergone a significant restructure in 2011. Following a range of grants and funding ceasing, the school improvement service found itself in a position where it needed to begin trading in order to survive. As a result, officers began to explore what other Council services would be available for schools to purchase and in February 2012 the brochure *Learning Without Boundaries* was published. The document split all available services into the five areas of Learning and Inclusion, Governor Services, Partnerships and Services for Schools, School Administration and Facilities and ICT. Members were informed that all non-statutory discretionary services provided by the Council were now expected to operate on a full cost-recovery basis, although this had not quite been achieved yet. The core services that were covered by the Council's

statutory duties would continue to be available to schools free of charge. The Group welcomed the Council's approach to meeting the challenge of reduced resources and the school improvement service's efforts to maintain financial viability. Members recognised that traded services were a new way of working for the Council and supported the development and evolution of the offer to schools to ensure that market needs are met. It was hoped that the brochure would be developed and refreshed regularly to include more services, with support for building projects and tree maintenance cited by members as two additional services that the Council could provide.

The Group agreed that the Council's offer to schools had a distinct advantage over other providers in the Borough as its staff were well-respected and had a proven track record of success. Members believed that this was a result of an established relationship, local knowledge and an understanding of each cohort's needs, and that value for money would not always mean going for the cheapest option. When members met with the heads of the two academy trusts, they were informed that for both the preference was to purchase services from the Council wherever possible, but only if they were of a sufficient quality. Both witnesses cited the educational welfare service as one that required further improvement before they would consider using it. The Group agreed therefore that in order to ensure that the Council's traded services offer was successful and viable in the long-term, the quality and market performance of all services would need to be regularly monitored and assessed by elected members.

Members also discussed the reasons why schools might choose not to purchase Council services and were informed that the reasons underlying a school's choice were often not known. All schools, academy or maintained, had the discretion to buy whichever non-statutory services it wished. In order to remain competitive, members agreed that the Council should seek to understand its customers so that it could be in a position to meet market needs. The Group therefore agreed that alongside existing efforts to monitor the market, the Council should suggest that the Governing Bodies of maintained schools include an annual agenda item to consider and review the school's satisfaction with the Council services it purchased, and the reasons why alternative providers were chosen (if they were). Members also agreed that there was an opportunity for councillors who were also school governors to encourage their schools to consider purchasing Council services.

When the Group discussed the evolution of the traded services approach, officers explained that certain traded services, such as training on the IT system Fronter and on safeguarding, were struggling to keep up with the demand to the extent that some officers could work on delivering them full time. The service had to balance meeting the requirements of schools that needed the core, statutory support against the need to generate income. Members of the Group therefore agreed that there should be a greater opportunity for in-demand services to develop and expand to their full potential. The Group also noted that officers now had to distinguish between the parts of their roles that they charged schools for, and the parts that they provided for free. This new approach was taking some adjusting to as officers were previously accustomed to doing all they could to support a school for no charge. The Group therefore considered whether the service might benefit from a greater distinction between the delivery of core services and the discretionary traded services. Members argued that such a separation would allow the traded services to focus on increasing its capacity and customer base and meeting the needs of the Borough's schools, while generating more income to fund the core non-traded services. The Group agreed that the option of reorganising the service to separate the delivery of traded and non-traded services and the feasibility of establishing a Local Authority Trading Company (an arm's length entity, separate but linked to the Council) should be explored and considered.

## Recommendations

- xi) The Group supports the development of the Council's traded services offer. The level of provision and number of available services should be expanded where possible to meet the needs of Croydon schools as well as offering services to areas outside of the Borough for schools whose needs are not being sufficiently met
- xii) An annual report on the quality and financial performance of the traded services should be received by Cabinet or Scrutiny to ensure they are of a sufficient standard and financially viable
- xiii) To provide feedback to officers, the governing bodies of maintained schools should be asked to include an annual agenda item that assesses the services it receives from the Council. The reasons why services were not purchased from the local authority should also be requested to help the Council ensure it is meeting the demands of its customers
- xiv) The training for councillors who become school governors should include their role as ambassadors for the Council's traded services and how they can promote take-up. Such a session could also be held as a stand-alone event as part of the Member Learning & Development programme
- xv) A greater distinction between officers delivering statutory, free services to schools and the discretionary, traded services should be considered. Options for creating a Local Authority Trading Company should also be explored

## Final conclusions

Whilst the members of the Group supported the general approach that the Council was taking with academies, they agreed that there was an insufficient evidence base to fully appreciate the long-term impact that they might have in Croydon. There was evidence that being an academy produced a lift in performance for the initial period after converting, but it could not yet be ascertained whether this performance could be sustained – for example could momentum be sustained in five or six years' time when the whole cohort that were at the school for the conversion would have left? Similarly, the Council's traded services were still in their relative infancy so their effectiveness and financial performance could not be assessed. The Group therefore agreed that there should be an annual reporting to a scrutiny committee that monitored the following key criteria to establish an empirical evidence base of the academies' impact and to establish how education in Croydon is being affected:

- Data showing levels of attainment and Ofsted ratings, with a comparison between academies and maintained schools and the identification of any trends suggesting a relationship between them
- The income generated by traded services and their cost-recovery performance
- The business plan of the traded services
- Admissions data showing the number of pupils attending an academy from vulnerable groups
- A summary of any additional capital funding received by academies (in order to understand whether more academies equates to greater investment in facilities for pupils)

Throughout the Group's research into the impact of new academies and free schools on schooling in Croydon, members remained concerned at the lack of clarity regarding the financial consequences of large numbers of schools converting to academies. With each new academy opening in the Borough, the amount of funding the Council receives through the Dedicated Schools Grant (DSG) reduces. The Council retains a portion of the DSG to fund central functions such as teacher development, administration and school improvement. Consequently the Group is concerned that there might be a 'tipping point' when so many schools become academies that it is no longer financially feasible for the Council to continue maintaining and supporting the remaining schools. Similarly members were concerned that with more academies and therefore a decreased DSG, maintained schools could become so cash-starved that they would have little choice but to become an academy to receive 'their' funding directly. This was because the DSG funds some services to pupils attending all schools in the Borough such as SEN transport, so the maintained schools could be seen to be funding services for the academies.

It was therefore agreed that officers should be requested to submit a report to the Education Scrutiny Sub-Committee early in the 2012/13 municipal year that outlines what eventualities are being planned for and how the Council expects to respond to them. The report should include a breakdown of the full anticipated financial consequences of scenarios where 50%, 75% and 100% of schools became academies and how this would affect budgets such as school performance. Members of the Task & Finish Group agreed that the 'tipping point' needed to be identified as early as possible in order to ensure that structures and plans to address it were in place and issues could be resolved. The report should include a complete breakdown of the budget for education services in Croydon, the full list of which services will be provided to schools free of charge, how these services will be funded (to clarify whether the funding will decrease with a reduced DSG) and how the statutory services will be funded. Members agreed that this report needed to be considered by scrutiny as a matter of urgency as the Group has requested clarity on these issues but has been disappointed with the

information provided, although it was acknowledged that the DfE guidance was still in development.

### **Recommendations**

- xvi) Scrutiny should be provided with an annual report on issues of key concern regarding academies in order to establish empirical evidence of the full impact of academies on education in Croydon
- xvii) The Education Scrutiny Sub-Committee should be provided with a report in June/July 2012 outlining the Council's long-term view regarding whether all schools should become academies and how the transition is being financially modelled. The report should also identify the level of academisation that would mean that it would no longer be viable or cost effective for the Council to maintain the remaining schools and address the issues identified by the Task & Finish Group



## Full Recommendations to Cabinet

- i) The Council needs to adapt its role in education to become a co-ordinator, facilitator and broker of partnerships, rather than the more traditional paternal top-down approach. A consulting advisor should be offered to all schools undergoing a conversion and there should be a designated link officer for all academies
- ii) Through encouraging a consensual, partnership approach the Council should seek to work with academy providers to ensure that performance data is shared to enable the Council to monitor the quality of education in the Borough and meet its statutory obligations
- iii) The Council should be open to working with groups wishing to establish a free school and encourage the free school sponsors to share issues that they feel are not being addressed by the current education provision in Croydon. The Council should also help to identify potential sites and share population data to ensure any new schools are viable
- iv) The Council should work with existing conversion academies, the DfE and London Councils to develop a 'conversion handbook' to help future schools (and their pupils) that are considering converting and to highlight ways in which the Council can assist the process
- v) The Council should consider, as a first priority, working with local academy chains and clusters with equal and engaged partners that display a willingness to support neighbouring schools
- vi) Council officers should work with schools converting to an academy to ensure that the purpose, intentions and reasons for the conversion are clearly stated and communicated to pupils and parents to foster support and buy-in to a new way of working, and to contribute to the development of a positive working relationship with the academy
- vii) The Council should not view academies as the only route to high performance and should work to improve or replace the leadership of struggling schools rather than supporting academisation as the default solution
- viii) The Council should review its school procurement guidelines and find ways that the value for money achieved by academies for capital project building work can be replicated in its maintained schools
- ix) The Council should lobby Government to establish what the procedures and responsibilities would be, should an academy be found to be providing an inadequate education to Croydon's children, and communicate any progress to members
- x) The Council is an important impartial adjudicator in employment disputes between schools and staff. The feasibility of offering to perform a similar role for academies through traded services should be explored
- xi) The Group supports the development of the Council's traded services offer. The level of provision and number of available services should be expanded where possible to meet the needs of Croydon schools as well as offering services to areas outside of the Borough for schools whose needs are not being sufficiently met

- xii) An annual report on the quality and financial performance of the traded services should be received by Cabinet or Scrutiny to ensure they are of a sufficient standard and financially viable
- xiii) To provide feedback to officers, the governing bodies of maintained schools should be asked to include an annual agenda item that assesses the services it receives from the Council. The reasons why services were not purchased from the local authority should also be requested to help the Council ensure it is meeting the demands of its customers
- xiv) The training for councillors who become school governors should include their role as ambassadors for the Council's traded services and how they can promote take-up. Such a session could also be held as a stand-alone event as part of the Member Learning & Development programme
- xv) A greater distinction between officers delivering statutory, free services to schools and the discretionary, traded services should be considered. Options for creating a Local Authority Trading Company should also be explored
- xvi) Scrutiny should be provided with an annual report on issues of key concern regarding academies in order to establish empirical evidence of the full impact of academies on education in Croydon
- xvii) The Education Scrutiny Sub-Committee should be provided with a report in June/July 2012 outlining the Council's long-term view regarding whether all schools should become academies and how the transition is being financially modelled. The report should also identify the level of academisation that would mean that it would no longer be viable or cost effective for the Council to maintain the remaining schools and address the issues identified by the Task & Finish Group

## Glossary

The following definitions are taken from the Department of Education's online glossary. For a full list, see <http://www.education.gov.uk/help/atozandglossary>.

**Academy:** A publicly funded independent school that can benefit from freedoms, including freedom from LA control, the ability to set their own pay and conditions for staff, freedoms around the delivery of the curriculum, and the ability to change the lengths of terms and school days.

**Federation:** Describes many types of collaborative groups, partnerships and clusters of schools. Broadly, it is 'a group of two or more schools with a formal agreement to work together to raise standards'.

**Foundation schools:** State schools that are run by the local authority but have more freedom than community schools in terms of management and decisions around their admissions policy.

**Free school:** All-ability state-funded schools set up in response to parental demand. Under new plans, it will become easier for charities, universities, businesses, educational groups, teachers and groups of parents to start these schools.

**Maintained school:** An LA-funded school that also has ultimate administrative responsibility. Community, foundation and voluntary-aided schools are all maintained schools.

**PRU:** Pupil referral unit. This is any school established and maintained by a local authority that is specially organised to provide education for children who are excluded, sick or otherwise unable to attend mainstream school.

**Pupil premium:** Additional funding for schools to spend as they choose to raise the achievement of disadvantaged pupils. The Pupil Premium for each school is calculated according to the number of pupils eligible for free school meals.

**SEN:** Special educational needs. Children with SEN have learning difficulties or disabilities that make it harder for them to learn than most children of the same age. Children with SEN may need extra or different help from that given to other children of the same age.

**Special School:** State schools in England and Wales provided by local authorities for certain children with special educational needs. These are approved by the Secretary of State under section 188 of the Education Act 1993.

**Trust schools:** Maintained (state-funded) schools supported by a charitable trust. Like voluntary-aided and foundation schools, trust schools own assets, and the governing body employs staff and sets admissions.

