



CONVERSION TO ACADEMY STATUS

FREQUENTLY ASKED QUESTIONS

The new coalition Government has invited all schools in England, including primary, secondary and special schools, to become Academies. With both excitement and concern that many may be feeling at the school - including staff, parents and/or those at Governing Body level – we examine some key questions about Academy Schools.

1. What is an Academy school?

Academy schools are publicly-funded schools which operate outside of Local Authority control.

2. What are the key advantages of becoming an Academy school?

Academies will have more freedom than other state schools.

- *Pay and terms and conditions of staff:* the Academy will be responsible for agreeing levels of pay, conditions of service, staffing structures, career development, discipline and performance management. However, it is worth noting that existing staff will transfer from Local Authority control to the Academy Trust under legislation known as the TUPE regulations which will protect their current conditions.
- *National Curriculum:* Academies do not have to follow the national curriculum. They can choose their own curriculum, as long as it is „broad and balanced“ and the National Curriculum programmes for English, Maths, Science and ICT are taught during the relevant key stage and participation is offered to pupils in Key Stage 3 and GCSE examinations.
- *Length of terms and school days:* the Academy is free to set the length of its school terms and dates (subject to being consistent with staff terms of employment).
- *Admissions:* once a school becomes an Academy, the Academy Trust will become the admission authority. Academies will therefore be responsible for drawing up their admissions criteria in line with the Admissions Code and SEN Code of Practice and Exclusions. Academies are required to cater for children of all abilities, unless they are already selective. Like all schools with a specialism, they are able to select up to 10% of their intake for aptitude in their chosen specialism. A school with a religious designation will be able to retain it.



- *Financial Budgets:* Academy Schools will receive their General Annual Grant (GAG) directly from central Government, instead of receiving funds via the Local Authority. Academies may hold up to 12% of unspent GAG from previous Academy financial years. In addition, they receive money which would previously have been held back by the Local Authority (the Local Authority Central Spend Equivalent (LACSEG)) to provide services across all schools, such as help for children with special educational needs. The Government has said they will be free to choose to buy in these services from the Local Authority as well as other providers. The Academy may also accumulate funds from private sources.

3. Does a school need to change its name to include the word 'Academy'?

No, but they can do so. Schools can keep the same uniform/school badge/colours etc. with the existing school name.

4. How much will it cost the school to convert into an Academy?

A grant (currently £25,000) is available from the Department for Education for expenditure incurred in connection with the process of converting. This is intended to cover legal fees, transferring staff and new signage and stationery (if necessary). Any unspent balance can be kept by the Academy and does not need to be returned. A claim form for this grant is available from the Department for Education.

Other than this grant, there are no plans for the Government to provide other forms of start-up funding for new Academies.

5. Will the school be worse off financially if it converts to become an Academy?

The Government believes that becoming an Academy should not bring financial advantage, or disadvantage, to a school. As such, there is currently no evidence that a school would become worse off financially if it were to become an Academy. Academies will continue to be funded per pupil. Academies are funded on a like-for-like basis with Local Authority maintained schools, with the addition of funding for services that the Local Authority would have normally provided and additional grant to cover irrecoverable VAT.



6. What services will the Academy have to buy in that the Local Authority currently provides?

Academies need to consider how they will obtain certain services which the Local Authority would have previously provided using additional funding the Academy will receive. This element of Academy funding will be calculated by the YPLA. Academies will then be free to buy back the services from the Local Authority or find them elsewhere. Depending on which Local Authority the academy is in, it might be the case that the school is already responsible for some of services, and will already receive money rather than services from their Local Authority.

These services might include:

- SEN support services
- Behaviour support services
- 14-16 practical learning options
- School meals and milk
- Assessment of free school meals eligibility
- Repair and maintenance of kitchens
- Museum and library services
- Licences and subscriptions
- Central staff costs (maternity, long term sickness and trade union duties)
- Costs of certain employment terminations

- Asset management costs
- School improvement services
- Monitoring national curriculum assessment
- Education welfare service
- Pupils support (e.g. clothing grants)
- Music services
- Visual and performing arts services
- Outdoor education services

7. Is any form of consultation process required?

Whilst formal statutory proposals are not required for conversion, Governing Bodies should consult with staff, parents and the local community (including neighbouring schools) over any proposals to acquire Academy status. The consent of trustee and foundation bodies (if applicable) is also required. Schools do not have to get Local Authority approval.

Where the Governing Body is the current employer of staff working at the school, the Governing Body will need to conduct a formal TUPE consultation with all existing staff.



8. Can staff and/or parents object to the school becoming an Academy?

As stated above, Governing Bodies should consult with staff and parents over any proposals to acquire Academy status and staff and/or parents will be represented on the Governing Body. To become an Academy, the Governing Body will be required to pass a resolution to agree to the conversion.

9. Will the Local Authority have any role in schools now?

Local Authorities will still have a duty to ensure that children in their area receive an education.

Local Authorities will still have overall responsibility for ensuring there are enough places to meet demand locally and will therefore continue to coordinate the admissions system, whereby school places are allocated, although Academies will be responsible for drawing up their admissions criteria in line with the Admissions Code.

Local Authorities will no longer be responsible for monitoring standards of Academy schools in terms of their performance and financial arrangements.

10. Can we expand pupil numbers and/or change the pupil age range of the school?

Academies will need to make a request to the Secretary of State to expand their pupil numbers and/or age range and this will only be done following local consultation. The decision taken will be informed by the views of the Local Authority, who will continue to act as the commissioner of pupil places (please see answer to question 11 below for more information on this).

11. Does our school need to support another school?

Schools rated as outstanding schools by Ofsted are expected to sign up in principle to support another school to raise attainment. However, it is unclear at this stage what this support will entail.

Some schools may choose to convert to Academies under a federation type of arrangement as a group.

Schools who are not rated good or outstanding can convert but will be asked to work with a high performing school. The details of how this will work and what formal commitment must be given to the Department are still unclear.



12. What is the role of the Academy Trust?

An Academy school is set up by establishing an Academy Trust, a charitable company limited by guarantee (as opposed to limited by shares). An Academy Trust is made up of both Members and Directors (or Governors).

Members have a constitutional role in the running of the Academy, in the sense that they are the „guardians“ of the constitution, ensuring that the company performs its functions in accordance with its charitable objects. Members are entitled to call and vote at the Annual General Meeting. Members of the Academy Trust will be liable to contribute up to £10 if the Academy Trust is wound up in the future.

The Directors of the Academy Trust are responsible for the running of the school. The terms „Directors“ and „Governors“ are often used interchangeably.

It will be for the Governing Body to decide and agree who among them would wish to be Members of the Academy and which of them would wish to be Governors of the Academy (although it is possible to be both a Member and Governor). For the most part, we would expect the Members to be few in number and to exercise little direct control over the running of the school. This should be left to the “Governing Body”, the make-up of which we would expect to mirror the existing arrangements.

Land and buildings for the school are likely to be held by the Academy Trust, although special arrangements may be put in place for voluntary aided schools and foundation schools with a foundation.

The Academy Trust will be responsible for entering into contracts for the school.

Staff are employed by the Academy Trust following a TUPE transfer from the Local Authority (or the Governing Body where the predecessor school was either a foundation or voluntary school).

13. Can a Member also be a Governor?

Yes. In effect, anyone can be a Member of the Academy Trust. With a foundation or trust school, there is no reason why the original trust members cannot serve as members of the Academy Trust.

14. How many Governors should be appointed?

There is no maximum size for the Governing Body. The Governing Body should include two parent Governors and the Principal. The Department for Education’s preference is for no more than 3 employees of the Academy (including the Principal) to be appointed as Governors. There is no requirement to have a Local Authority Governor but it would perhaps be appropriate for this person to be appointed by the Governing Body as a “Local Community” Governor.



15. What are the key responsibilities of the Governing Body?

The key responsibilities are to:

- ensure the quality of education provision
- challenge and monitor the performance of the Academy
- manage the Academy Trust's finances and property
- employ staff.

Governors can be personally liable for actions of the Academy Trust, as they are now for those of the Governing Body, if they do not act prudently and there are additional obligations imposed by company legislation. Governors will usually have governors liability insurance in place as a maintained school and this should be renewed when the Academy Trust is established.

16. What are the key legal documents in converting to Academy status?

- The Memorandum and Articles of Association, together with certain registration documents, to establish the Academy Trust at Companies House.
- A Funding Agreement, which is a formal contract, between the Secretary of State and the Academy Trust whereby, in return for the Academy Trust establishing and maintaining the school, the Secretary of State agrees to provide funding to the Academy Trust. The Funding Agreement also sets out the conditions and requirements regulating the way in which the Academy must be run.
- Appropriate land agreements.
- A Commercial Transfer Agreement for use in transferring the assets of the existing school to the Academy Trust.

17. Does the school need to follow any other procedures?

Yes, the school will need to consider the following:

- A new bank account will need to be set up for the new Academy Trust to receive funding. This is even the case for foundation schools, despite running their finances autonomously in existing accounts.
- Transfer or renew existing contracts with the new Academy Trust.
- Purchase insurance (property insurance, public liability insurance and Governor's liability insurance) in the name of the Academy Trust as appropriate.
- The new Academy will be responsible for HR and payroll. You will need to consider whether to continue to buy this service from the Local Authority or consider other providers.



18. Who takes responsibility for pension arrangements?

Teachers working in an Academy fall within the scope of the Teachers' Pension Scheme (TPS) just as if they were employed by the Local Authority. Staff transferring from the existing maintained predecessor school would simply continue their membership.

Support staff in an Academy fall within the scope of the Local Government Pension Scheme (LGPS). Academies are obliged to continue to offer LGPS membership to staff transferring from a maintained predecessor school.

19. Will the new Academy get any capital funding for new build construction?

No, Academy status does not automatically mean capital investment. Up to the end of March 2011, existing capital programmes will be unaffected by any switch to Academy status. The Government is in the process of conducting a spending review in relation to capital expenditure. It is expected that capital will be as readily available to Academies as to other schools.