



**COUNCIL CABINET**  
**30 OCTOBER 2007**

Report of the Children and Young People Commission

## **Building Schools for the Future – Choice and Diversity**

### **RECOMMENDATIONS**

[Reasons for each recommendation are set out under Supporting Information]

- 1.1 That Council Cabinet record that the Children and Young People Commission support the proposals as the pragmatic means to unlock £150 m of capital investment provided full account is taken of the concerns in the subsequent recommendations
- 1.2 Legally binding protection of the capital value of the transferred land, buildings and other assets can be achieved, through the Funding Agreement (or other means), so as to preclude the Sponsor (or any successor to the Sponsor) being able to 'asset strip' and for this to apply whether or not the facilities continue as an educational institution.
- 1.3 There be the fullest consultation with all the stakeholders, including the trade unions, whereby Derby College addresses the range of issues and seeks to reassure all those affected that the adoption of Academy status will be beneficial for pupils, parents and staff.
- 1.4 An early Equalities Impact Study be undertaken with the outcome influencing the Feasibility Study and/or Funding Agreement.
- 1.5 This Commission be informed of key developments and any significant alteration to the proposals as they currently stand, to enable the opportunity for further scrutiny.

## **SUPPORTING INFORMATION**

### **Reasons for recommendation 1.1**

The 2005 White Paper "Higher Standards, Better Schools for All - More Choice for Parents and Pupils" led to the creation of the post of Schools Commissioner. A key part of this new role is "promoting local choice for parents. This will involve encouraging the development of new Academies and Trust schools". The approval of BSF plans by the Schools Commissioner is necessary to unlock the £150 m available to rebuild/improve Derby's stock of 12 secondary schools. That giving (or withholding) of approval means the Commissioner can veto proposals which do not include Academies. This is akin to the use of Loan Sanction by ministers in the 1960s as the lever to replace selective secondary education with comprehensive education.

This Council has a track record of pragmatic decision making whereby the interests of the Derby public prevail over a point of policy principle. The conversion of the Housing Department to an ALMO and the making use of PFI were both steps reluctantly taken to unlock large sums of capital for the betterment of Derby residents. Similarly, the conversion of two schools to Academies appears necessary for all 12 secondary establishments to benefit from a share of £150 m of investment.

The Commission took the view that Derby College as the Sponsor would be the preferable option. It is a locally rooted, educational establishment. Mr Flack was clear that if the College chose not to proceed the DCSF would identify one or more alternative Sponsors. The Commission considered that alternative Sponsors may have a less educationally driven ethos and little local connection.

### **Reasons for recommendation 1.2**

Both the affected schools were constructed using public funds and are public assets. Adoption of Academy status involves the transfer of a school's assets to the Sponsor. Irrespective of who that Sponsor is it is imperative that the transferred assets:

- continue to be available as a public resource for residents of local people and
- are protected from any risk of asset stripping.

This is a precaution against previous national and local experiences where:

- undervalued assets have been quickly sold off by the new owner to produce a windfall profit or
- later on the owner (or successor) divests itself eg because of a refocusing into more profitable activity

The quick re-sale of Derby's municipal bus fleet by its new owner was cited as a local example of the undervaluing public assets.

### **Reasons for recommendation 1.3**

Consultation can provide the dialogue that allows Derby College to make its case to the various stakeholders and hear and respond to the range of issues. Clearly the adoption of Academy status with the College as Sponsor will need to become seen as beneficial for pupils, parents and staff. From the trade union submissions, and the contribution of Mr Jennison at our meeting, it will be clear to the College the various concerns that staff have. While some are based on principle many are based on reported practical concerns from earlier Academies. Paradoxically it is the freedom that Academy status brings that means the College may persuade staff and other stakeholders that all the practical concerns like pay, pensions and union recognition can be positively addressed.

### **Reasons for recommendation 1.4**

The development of an Academy is a long term project, Cabinet's Key Decision on 30 October would be followed by work leading toward an Expression of Interest, a Feasibility Study and, if achieved, a Funding Agreement. There is a legal obligation to conduct an Equalities Impact Study when developing a public policy and it is important that this does not get 'lost' among the other activity. It would be preferable if work is begun on the impact study early, as that would allow the project to be honed in light of relevant findings. One of the suggested concerns about Academies is there can be changes to the intake of pupils; as both Bemrose and Sinfin schools serve ethnically diverse areas it will be essential that a change of status would not then lead to real or perceived disadvantage by particular communities.

### **Reasons for recommendation 1.5**

Generally the BSF programme will have a major impact on the quality of education of all Derby's citizens aged 11 to 18 and their life chances after they leave school. The Academies proposals go further by offering a new ethos, new governance arrangements – and the need to create new linkages with primary schools and the with Landau Forte and the remaining secondary. The outcomes of consultation and feasibility studies are likely to see modifications to the current proposals. The Commission therefore records that it wishes to be notified of key developments and any significant alteration to the proposals and with sufficient time to allow further scrutiny if felt warranted.

### **Process**

This issue was scrutinised at a special one-item meeting held on Wednesday 24 October. Present was the Corporate Director for Children and Young People. Mr Jennison, NUT representative, also contributed. Members place on record their thanks to Mr Flack and Mr Jennison and to the various stakeholders for the helpful written submissions received in advance. The evidence-gathering part of the meeting was web-cast and can be viewed at: <http://clients.westminster-digital.co.uk/dcc/player.aspx?EventID=1065>

<b>For more information contact:</b>	01322 255596 e-mail <a href="mailto:rob.davison@derby.gov.uk">rob.davison@derby.gov.uk</a>
<b>Background papers:</b>	Building Schools for the Future - Choice and Diversity: Background information: <a href="http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=10106">http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=10106</a>
<b>List of appendices:</b>	Appendix 1 – Implications Appendix 2 – Summary of written representations with hyperlinks.

## Appendix 1

### IMPLICATIONS

<b>Financial</b>	)
<b>Personnel</b>	) Please refer to the main reports to Council Cabinet on 30
	) Oct and 2 October 2007
<b>Corporate Priorities</b>	)
<b>Equalities impact</b>	As above but also see recommendation 1.4 and the associated reasoning in this report
<b>Legal</b>	As above but also see recommendation 1.2 and the associated reasoning in this report

## STAKEHOLDER SUBMISSIONS WITH HYPER-LINKS

Because of the timescales and the half term holidays many representations were made on the basis of the report to Council Cabinet on 2 October, before the more specific proposals became publicly known.

- **PRODUCED BEFORE SPECIFIC PROPOSALS WERE PUBLICLY KNOWN**

- A. Derby NASUWT Submission**

Link: <http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=10143>

Derby NASUWT Branch makes clear it is opposed to converting schools to academies or trusts because it believes it will have an adverse impact on:

- 1) Educational Standards;
- 2) The terms and conditions of service of teachers;
- 3) Value for Money;
- 4) and local community accountability.

- B. TUC Midlands Regional Council Resolution - 13 October 2007**

- C. DCC education trade unions' position statement on Academies**

- D. DCC trade unions' position statement on Academies**

Because of the similar wording three separate submissions from trade unions they can be seen as a single amalgamated comment.

Link: <http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=10144>

They condemn the pressure put on local authorities, including Derby City Council, to agree to academies as a condition of accessing Building Schools for the Future funding.

The TUC has described this as “pressure verging on duress.” But they don’t believe this should be seen as the “the only game in town.”

Instead they are asking the Council – with them - to lobby the Government to release BSF funding without the precondition of additional academies in Derby.

- E. Sinfin School NASUWT Branch Position Statement on Academies**

- F. da Vinci College NASUWT Branch Position Statement on Academies**

Because of the similar wording submissions from Sinfin and da Vinci NASUWT members have been also shown as a single.

Link: <http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=10145>

Their key points are

- 1) Academies represent a form of privatisation, moving teachers into the private sector and posing massive threats to terms and conditions of employment, including pensions.
- 2) Derby College would not make an attractive proposition for them. College lecturers earn only around 70 –75% of the average teacher's salary.
- 3) They believe Academies don't show improvement in results for the most disadvantaged children.
- 4) Academies, though privately controlled, are financed almost entirely from taxation. Regarding Sinfon School, NASUWT see it as scandalous that a private sponsor putting in £1.2 million after tax relief would receive a building costing £22 million of public money

#### **G. Landau Forte – Submission from Principal and Chair of Governors**

Link: <http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=10146>

As the City's first Academy, Landau Forte believes: "Academy development presents an imaginative opportunity to bring about organisational and educational transformation for one or more" of Derby's schools. They cite 10 specific benefits to bring "real transformation" of secondary education. It's governors believe the "Local Authority in the past has been short sighted in not seeking more in depth support from the College for education within the city. This has appeared "to be for political reasons rather than the improvement of educational standards for children within the city".

#### **H. Noel-Baker – Submission from the Head, Paul Davies**

Link: <http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=10147>

Mr Davies say's Noel-Baker's Senior Team regard the inclusion of Academies in the city's BSF proposals as a 'necessary evil' if the city is to benefit from BSF funding but prefer there to be one or two academies rather than three or four.

He adds "As a school we strongly believe that the growing strength of collaboration between city secondary schools must be maintained whatever the outcomes of Choice and Diversity and we undertake to work openly with all other 11-16/18 providers whatever their status".

#### **• PROVIDED AFTER SPECIFIC PROPOSALS WERE PUBLICLY KNOWN**

- I. i) Sinfon - Letter from Chair of Governors to Parents on Friday 19 October 2007
- ii) Reasons – background document dated 11 September 2007

Link: <http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=10148>

Link: <http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=10149>

The letter to Sinfon parents from the Chair of Governors was sent after hearing of the proposals from the Children and Young People Department.

In a nutshell: Both governors and staff at the school do not believe that this is in the best long term interests of the school.

Despite the government's intention to promote Academies as the answer to problems found in inner cities the evidence does not support this view.

They highlight Pricewaterhouse Cooper's research indicating that most of the success found by the academies is due to them selecting brighter pupils from less disadvantaged areas - and entering them for easier qualifications at KS4.

- **PROVIDED AFTER THE CABINET REPORT ENTERED THE PUBLIC DOMAIN**

J. Derby College – Submission from the Chair and Principal.

Link: <http://cmis.derby.gov.uk/CMISWebPublic/Binary.ashx?Document=10151>

Derby College "is pleased to support the City Council in its ambition for increasing choice and diversity in the secondary phase of education and its vision to achieve better outcomes for all Derby's learners". The College's "success rates are over 82% and all curriculum areas perform above national benchmarks". The College is prepared *in principle* to sponsor up to 2 Academies and "wants to build on the progress already achieved" by working "with students and their parents, staff and managers in the school and the wider community".

The next stage would be initial discussions with the Governing Body, Head teachers and senior staff, Parents and Student representatives with a view to agreeing an Expression of Interest. In turn, that would:

- Enable all parties to engage in a Feasibility Study to look in detail at the issues
- Access Central Government funding to enable detailed local consultation to take place and to draw up plans for the proposed Academy.

It is only at the successful completion of this stage that a binding 'Funding Agreement' would be signed between all parties which will detail the essential characteristics of the Academy.