



## Holy Cross Multi-Academy Company

### Public Consultation

#### Question and Answer Round-up

This is a summary of the questions asked during the consultation period. Other questions that related to a specific school or were answered at the consultation meetings do not appear here. Questions submitted by email have been answered individually. All questions and comments received during the consultation period will be fed back to the Governing bodies of all seven schools.

#### 1. Rationale

##### Why are we proposing to become Academies?

The Trustees of the Archdiocese of Birmingham have requested that all schools under the Diocesan Trust Deed work towards becoming 'academy ready.' This means that the Archdiocese sees the long-term future of its schools as forming and being part of a multi academy company with other Catholic schools in their local area.

On the 1st September 2018 there were 100 academies within the Archdiocese of Birmingham operating within 17 Multi-Academy Companies (MACs).

The existing MACs differ in size, but the desired model consists of a common strategic and structural framework of secondary schools aligned to primary feeder schools. This reflects the aim to structurally consolidate the relationship between partner schools as well as providing a secure and effective mechanism for promoting outstanding Catholic education across the 4-19 age range.

There is one existing catholic MAC in Coventry, Romero MAC, and a number of Catholic schools in Coventry are now considering forming the second MAC in the City. The proposed name of the new MAC will be Holy Cross Multi-Academy Company. The schools currently involved in MAC discussions are:

- Bishop Ullathorne Catholic School
- Cardinal Newman Catholic School
- Christ the King Catholic Primary School
- St Augustine's Catholic Primary School
- St Elizabeth's Catholic Primary School
- St John Vianney Catholic Primary School

- St Thomas More Catholic Primary School

### **Why these 7 schools?**

The Governing Bodies for these 7 schools have decided that they want to explore further the possibility of converting to academies and forming a Multi-Academy Company. They want to make a positive contribution to the shape and operation of the new organisation and believe that they are in a stronger position to do that if they are involved from the very beginning. To date, they have expressed an interest in converting to Academy status to Birmingham Diocese and to the Department for Education (DfE). They have each received a letter of support from the Diocese.

### **Why is not acting not an option? Could we stay as we are?**

It is the expectation of Birmingham Diocese that *all* catholic schools will be part of a MAC by Summer 2020 or will need to have robust plans in place demonstrating how they will convert to academies and become part of a MAC. It is no longer possible to convert as a single school.

As an increasing number of schools become academies and receive their funding directly from Government, the funding that the Local Authority receives from schools to deliver services is reduced and their ability to provide support to schools is diminished. We believe that by working together MAC schools can effectively support one another.

### **Has the final decision to convert already been made?**

The Governing Bodies of those schools who have been consulting believe that there are significant benefits to becoming Academies and are continuing to work towards that goal.

However, the final decision to continue to convert can only be made following the consultation process. The Governing Bodies will be listening carefully to the views of all the interested parties and taking these into consideration as they move forward to the next step of making a formal application to the DfE. As well as considering results from the consultation, they will also be receiving the results from the due diligence work that is being undertaken so that they can be sure that any decision to proceed is right for each individual school.

### **Is thorough due diligence\* taking place across all areas?**

Yes, due diligence work is taking place. It will cover many areas including educational position, financial, contracts, land and buildings etc.

**\*Due diligence** is an investigation or audit of a potential investment or partnership to confirm all facts, such as reviewing all financial records, plus anything else deemed material. It refers to the care a reasonable person should take before entering into an agreement or a financial transaction with another party.

## **Will other schools be able to join the Multi-Academy Company?**

At this point in time, we have explored with the other schools in the Catholic family of schools, that are not already part of a MAC, whether they wish to join, and they do not wish to at present. If another school were to express an interest in the future, we would very seriously consider this.

## **When is the proposed conversion date?**

The schools are currently working towards a conversion date of September/October 2019 but there are a lot of stages in the process, this consultation being one of them. The application which must be made to the Department for Education (DfE) will need to present a business case, not only in terms of finance but, more importantly, about improving education. This will need to be considered by the Regional School Commissioner's Headteacher Board before it is approved by the DfE. The proposed date of conversion can be reviewed at any stage to make sure that all schools are fully prepared.

## **2. Governance**

### **What is an Academy?**

An Academy is an Independent State School. This means that all Academies are still schools that exist to provide education to pupils and are subject to Government control rather than Local Authority control. They are accountable to the Department of Education and ultimately to the Secretary of State for Education for providing high quality education.

An Academy is a Charitable Company. This means an Academy is both a company and charity. The company is limited by guarantee not by shares, and as such, is not profit making and does not pay dividends to shareholders.

Being a company means that an Academy must be registered with Companies House and must operate within the legal framework for a limited company, including filing company accounts annually. Being a charity means that the company cannot operate for profit and is limited to pursuing only those activities linked to providing education.

### **What is a Multi-Academy?**

A Multi-Academy is a structure where the Charitable Company and Board of Directors oversee the running of two or more schools, rather than an individual school. The Board of Directors takes on a similar role to that which the Local Authority fulfils for maintained schools – overseeing the strategic direction of the schools.

The Multi-Academy structure is the ONLY structure under which schools in the Archdiocese of Birmingham can convert to become Academies, it is not possible to convert as a single school. The model assumes that schools will support each other.

The Board of Directors is made up of Directors who have an interest in the schools which make up the Multi-Academy and they can be existing Foundation Governors of the current schools if they choose to apply.

### **Have we learnt from the mistakes of other academy conversions?**

We have been able to talk to some other MACs and Multi-Academy Trusts (MATs) about their experiences and have heard from them what has worked well and the things that they might have done differently. We also work closely with colleagues from Birmingham Diocese Education Service who have the experience of working across several different MACs.

### **How would the Board of Directors be made up?**

The Board of Directors will be made up of a variety of people with the relevant skills. The Board is designed by the Archdiocese of Birmingham to ensure that Foundation Directors are always in a majority of two. The minimum number of Directors is 3 but it is preferable to have 5 or more Directors. There is no upper limit to the number of Directors although the Department for Education is considering limiting the number to 11. Directors are appointed by the Diocese based on the skills they bring to the Board. The skills required to run a Multi-Academy involve an understanding of Education; Business; Finance and Accounting; Legal and Employment issues; Property and Land issues; and other expertise.

The Archdiocese will look to appoint people to the Board of Directors who bring a balance of skills that ensures the Board of Directors is competently able to fulfil its legal responsibilities. Directors may be co-opted to meet specific skills gaps but there must always be a majority of two Foundation Directors. Two key roles that must be established are Finance Director and Chair of the Board. A Shadow Board may be set up in advance of the conversion date.

The main responsibilities of the Board of Directors are:

- Monitoring the Academy's work in terms of the Catholic ethos
- Appointing Headteachers, Deputy Headteachers and RE Co-ordinators
- Ensuring the Academy complies with relevant legislation
- Ensuring the quality of education provision
- Challenging and monitoring the performance of the Academy
- Managing the Academy's finances and property
- Employing staff

### **How will Directors be chosen and how long do they serve for?**

Local Governing Body members have encouraged people with the appropriate skills to apply to become Directors. They need to complete an application form and to have Disclosure and Barring Service (DBS) clearance prior to being considered for the role. Foundation Directors are then appointed by the Archdiocese of Birmingham in a similar way to Foundation Governors at present. Other governors may be co-opted onto the Governing

Body if, for example, there is a skills gap on the Board. They must all fulfil strict criteria set out by the Archdiocese and Department for Education.

Directors serve for a period of four years.

### **What powers will the Board of Directors have?**

The Board of Directors is the group with whom the agreement for funding is made by the Secretary of State for Education. This group is therefore ultimately accountable for every aspect of the schools in the Academy Company.

### **Who is accountable if the MAC fails in terms of academic results and financially?**

The MAC Board.

### **Will the Board of Directors get paid?**

Currently, Directors are volunteers however, in the future, the Government may change the law in this area. Directors, like Governors, can claim reasonable expenses as outlined in the financial scheme of delegation in connection with their duties.

### **How will you ensure that the Board of Directors has the skills needed?**

Potential Directors must meet the criteria set by the DfE and the Archdiocese when they apply to become Directors. The Archdiocese of Birmingham will review the range of skills of Foundation Directors proposed by Governing Bodies during the conversion process. If the Archdiocese feel that there is an insufficient level of skill within the range of Directors proposed, they may suggest other people to sit on the Board of Directors.

### **How will becoming an academy affect our existing Governing Body? How are teachers and governors represented on the Board?**

Local Governing Bodies (LGBs) will still be in place and Governors can apply to remain as governors on the new LGB for each academy, if they wish to do so. This may result in very little change to the membership of the existing LGB but their role within the MAC will change depending on which functions are delegated to them. This will be set out in a Scheme of Delegation <https://bit.ly/2PYaE9g>. Teachers, as employees of the MAC, will not have a place on the Board but they will be represented on LGBs. Some Local Governing Body members may also choose to apply to become Directors.

Board members will have an induction period to familiarise themselves with all MAC schools and will take responsibility for *all* schools. Local Governing Bodies will continue to have their close relationships with their own schools. Responsibilities of both the Board and the LGB will be clearly agreed outlined in the Diocesan Scheme of Delegation which will be published.

It is anticipated that the Shadow Board and eventually the MAC Board will meet regularly with Headteachers and Chairs of Governors of all MAC schools.

### **3. Funding**

#### **How are academies funded?**

An Academy is directly funded from central government. The impact of this is three-fold. Firstly, because an Academy gets its funding directly from the government, it is held to account directly by Government. Secondly, because the funding does not come through the local authority it receives 100% of the funding allocated to it. Thirdly, because funding does not come through the Local Authority, an Academy can choose to get support and services from providers other than the Local Authority. The services previously provided by the Local Authority become the responsibility of the Academy Directors who can choose how they manage these.

#### **Will we have a sponsor?**

As a converter Academy we would not have either a financial sponsor or an Educational one. This means the running of the schools would be in the hands of the schools themselves. However, there is no reason why individual schools should not work with business partners to develop an aspect of the curriculum or the school, in the same way that they do now.

#### **Are there financial benefits of becoming an Academy?**

While the Secretary of State has made it clear that schools should not be better or worse off financially because of becoming an Academy, the new freedoms over how budgets are spent and the economies of scale of working together as schools mean we should get better value for our money.

At present the Local Authority retains some funding from our budgets to cover the costs of the services it provides. In future this funding will be paid directly to the MAC. Clearly, much of this will go on services and support, but, through careful procurement, we believe that we can make savings which will be ploughed back into Teaching and Learning. In addition to this, we would be eligible to reclaim VAT on capital works which, at present, we are unable to do. This could potentially generate additional funding and any new building works would be far more cost effective to us.

We are also likely to achieve economies of scale by pooling our resources or negotiating better deals for buying in larger quantities. This would mean our money would go further.

#### **What local parish involvement can there be in a MAC?**

The involvement of the Parish and the parish priest with an academy and/or the MAC would remain as it is with existing Voluntary Aided schools. As is the current practice, parish priests can be appointed by the Diocese to the local governing body or to the Board.

### **What are the cost implications for schools?**

Each school receives a one off £25,000 grant towards the costs of becoming an Academy. It is expected that the significant proportion of this will be used on legal fees, buying licences for the schools' data-based systems and putting a new financial system in place. In exceptional circumstances, additional funding is available to deal with complex issues which arise during the conversion process. It is expected that schools will manage the conversion process themselves within the existing staffing they have, and that any additional staff would be funded by the conversion grant or schools' revenue budgets. Following conversion schools will contribute to a central fund which will predominantly pay for services that the schools receive as well as any central establishment costs.

### **Will there be a full financial assessment, and will it be made public?**

Due diligence work is currently being undertaken and the financial position along with other information will be presented to each LGB before they make their final decision to convert to Academies. This will not be made public, but budget plans are considered by the Department for Education, the Education and Skills Funding Agency, the Regional School's Commissioner and the Diocese as part of the approval process. They expect to see robust and sustainable financial plans in place before they agree to the application.

### **Are Academies allowed to run up deficit budgets?**

No. Like maintained schools Academies are not allowed to set deficit budgets.

### **What controls will be in place to prevent financial mis-management?**

The controls in an Academy are significantly more stringent than in a maintained school. Each Academy must have Finance procedures and a Scheme of Delegation which ensure it complies with Company, Education and Charities' accounting requirements. The Funding Agreement which the Board of Directors signs, sets out the way in which accounts are to be managed. Every Academy is required to have both a Finance and Audit committee. Academies must appoint a Responsible Officer, who signs off financial practices. In addition, every Academy has a prolonged Audit process every year before it can return its accounts. The Diocesan Trustees also have oversight through the DES with each Board submitted to a biannual review on Academic and Financial performance.

### **Would staffing costs increase?**

The staffing structure for the MAC is currently under consideration and will be factored into financial plans to ensure that it is affordable. The DfE and the Diocese require the MAC to appoint a Catholic Senior Executive Leader and a Chief Finance Officer/Chief Operating Officer, but no decision has yet been taken as to how these posts will be filled.

## **How would funding and resources be shared?**

At the moment that is done through a funding formula, mainly the GAG (General Annual Grant), and we would expect that to continue to be the case at the start. Some services may be put into a central area to take advantage of economies of scale where that is beneficial.

There are also items such as policies that we all do as individual schools which could be done once, with only slight changes for any special circumstances within a school, hence helping to utilise resources better. This may also apply to Educational areas such as special education needs, planning the curriculum, developing staff and using specialist expertise/resources that may be available across the MAC.

## **Can an Academy generate income?**

Yes, provided it is in line with the charitable aims of the Academy Company. Where significant income is being generated, many Academies choose to set up a separate trading company which gives any income it generates to the Academy.

## **4. Our Schools as Academies**

### **Are there any benefits to a MAC in terms of School Improvement?**

The educational benefits come from a variety of directions. The ability to shape the curriculum to meet the needs of our pupils is a significant benefit. The ability to share resources and staffing will mean pupils will get access to the very best opportunities for learning. A stronger transition between primary and secondary will make the learning journey smoother for pupils. The ability to track pupils' progress and plan interventions which continue throughout a pupil's educational journey will mean pupils are less likely to 'slip through the net' when they change schools. We will be better able to support Gifted and Talented pupils in Key Stage 2 and underperforming pupils in Key Stage 3. New flexibility over our budget may mean new resources and investment. Pooling our expertise will mean that our teachers will be able to share best practice and training opportunities. Being more closely linked as schools means that we have a greater investment in each other's success. It also means that if one school were to start to face challenges, the Board of Directors would need to ensure enough capacity existed to manage those challenges. If that expertise existed within another school within the group and could be utilised with minimal impact on that school, it is likely that would provide a solution. If that were not the case, the Board of Directors may choose to bring in expertise from elsewhere. There are many Academy groups that have some schools which are performing poorly and academy status, and the support that brings, is seen as being a key part helping them to turn their situations around.

### **What support would be in place if things went wrong?**

One of the benefits of being a Multi-Academy is that we would not be entering this venture on our own. We would benefit from each other's support. We would have insurance to

cover significant emergencies and access to emergency funding from the Education Funding Agency to cover significant building issues.

If the school got into financial difficulties the same processes would apply to it as apply to maintained schools, and it would be required to put in place plans to recoup the deficit.

### **Will the schools still have the same policies and procedures?**

No, but they are likely to be similar. An Academy will have to have policies which apply to all the schools within it. A single policy will have to exist for Safeguarding, Health and Safety, Pay, etc. It is not anticipated that October 2019 will be a time of significant change in policies and it is likely that new policies will largely put in place similar arrangements to those which currently exist. However, in some areas, such as finance, for example, there will need to be significant adjustments to take into account the new responsibilities of the MAC.

### **Who will own the land?**

The land and buildings will be leased or licensed to the Academy Company for 125 years by the Local Authority and the Archdiocese of Birmingham.

### **Will we lose staff to other schools across the MAC?**

There is always the potential to lose staff as they seek opportunities elsewhere but being part of the MAC also gives the opportunity for staff to take up employment opportunities with other MAC schools, retaining their experience and expertise within the MAC. There will also be opportunities to work with leading practitioners in other MAC schools, to share their expertise and gain knowledge with a wider group working together for the benefit of all our pupils. Professional development and increased learning opportunities are key factors in retaining high quality staff and we believe that working as a group of schools will provide great opportunities for staff to progress within the MAC and increase job satisfaction.

### **Are school staff consulted?**

Yes. To date, staff have received general information about the proposals to convert to a MAC. However, as the work proceeds there will be a formal consultation with all staff and their representatives which will focus on employment issues and on the details of the TUPE transfer (The Transfer of Undertakings (Protection of Employment) Regulations 2006).

### **Does a school not become “watered down” if it joins a MAC?**

No, we value the individual strengths of our schools and the importance of their connections with local communities and Parishes. As Catholic schools we share common values and aspirations and we believe that this can be strengthened by working together across the MAC.

## General Questions

### **Will the schools continue to work with the other Catholic schools in the Coventry area?**

Yes. All Academies are outward looking and cannot operate solely on their own. Links with Catholic and non Catholic schools across Coventry and beyond will continue after the MAC is formed.

### **Will we have new uniforms?**

No. There are no plans to change our uniforms as a result of becoming an Academy. Any future change of uniform would be a local matter and be widely consulted upon.

### **Will the names of the schools be changing?**

The Academy Company will be known as Holy Cross Multi-Academy Company, but the names of the schools will remain the same. We believe our schools are well known in their local areas and have good reputations. We want all of our schools to retain their own identities.

### **Will the schools still be inspected by OfSTED?**

Yes, although in recognition of the huge amount of work involved in undertaking a conversion, the schools would receive an 30-month delay of a future inspection.