
Report to
Cabinet

28th June 2005

Report of
The Chief Executive, the Director of Education and Libraries and the Director of Finance and ICT

Title
Submission of Expressions of Interest for two Academies in Coventry

1 Purpose of the Report

- 1.1 The purpose of this report is to seek approval for the submission of Expressions of Interest for the development of two Academies in Coventry.
- 1.2 One of these Academies is proposed as a replacement for Woodway Park School on the existing Woodway Park site.
- 1.3 The second Academy is proposed as a replacement for both Sidney Stringer and Barr's Hill schools, and will form part of the proposed Swanswell Learning Quarter which will be located to the west of Primrose Hill Street on a site formally occupied by high-rise blocks and in close proximity to Sidney Stringer School.

2 Recommendations

The Cabinet are asked to:

- 2.1 Agree to the immediate submission of an Expression of Interest for an Academy to replace the current Woodway Park Secondary School with effect from September 2008.
- 2.2 Give in principle support to the submission of an Expression of Interest for an Academy to replace the current Barr's Hill and Sidney Stringer schools on a site within the proposed Swanswell Learning Quarter. The proposed opening date would be September 2008 or September 2009.
- 2.3 Delegate authority to the Director of Education and Libraries and the Cabinet Member (Children's Services) to finalise the details of both Expressions of Interest.
- 2.4 To approve a public consultation period on both proposals which will run between September 5th 2005 and October 31st 2005.

3 Information/Background

3.1 The Government's Academies programme.

The Government's Academies programme forms a key part of its overall policies to improve education in secondary schools across the country. Academies are state-funded independent schools, which operate outside the Local Government framework and are funded directly from DfES. Academies are targeted to replace existing schools in deprived areas of the country with low exams results, and the Government is committed to creating 200 academies across the country by 2010.

The DfES is in wide-ranging discussions with Local Authorities to promote Academies, and it is hoping to establish at least one Academy in all Local Authority areas.

Academies are backed by private sector sponsors who bring a financial contribution of up to £2m towards the establishment of the Academy, with the remainder of the funding being provided directly by DfES up to a value of £25 - £30m for each Academy. Academies are run by Boards of Governors appointed by a Trust, the Trust being established by the sponsor and including representatives of DfES and the Local Authority. A key element of the sponsor's role is to provide a vision for the operation of the Academy, and an input of private sector expertise in management and innovation.

Academies form one part of the Government's strategy for replenishing secondary schools. The other major initiative is Building Schools for the Future (BSF). However, money for BSF is allocated to Authorities based on measures of deprivation and exam results. Using these measures means that Coventry will not get BSF until sometime between 2008 and 2011, assuming that the Government is able to maintain funding for its programme at national level.

This would mean that the first possible new school would be unlikely to be completed until 2012 or 2013 at the earliest. Many of Coventry's secondary schools, including Woodway Park and Sidney Stringer, face significant building issues, which are an obstacle to the quality of education. Academies offer an opportunity to begin to make significant improvements in the educational environment for children in the City in advance of Building Schools for the Future. It would enable the improvement of secondary schools to be spread over a longer period by kick-starting the overall programme with these two proposed projects, which will be able to commence significantly earlier.

4 Proposal and Other Option(s) to be Considered

4.1 The proposal for Woodway Park

Woodway Park was constructed in 1968 using a system of construction known as 'CLASP'. This building system basically involves the use of steel frames, which are then in-filled with brick and concrete cladding. CLASP schools have a life of 30-40 years and the buildings at Woodway Park are nearing the end of that time. The school would benefit immensely from a re-build.

In 2002 the City Council made an unsuccessful bid for PFI money to re-build Woodway Park, along with President Kennedy and Finham Park, which are of similar construction types. Unfortunately, while that bid was unsuccessful it did raise the hope and aspirations of many people in the school community that a new building would be possible. The Academy proposal makes that aspiration a potential reality.

Educational standards at Woodway Park are on an upward trend, and the creation of a new modern purpose-built school will help to underpin that improvement. In addition, the completion of Henley Green and Moathouse Primary Schools, which are two key feeder primary schools for Woodway Park, has highlighted the poor state of Woodway Park's buildings compared to the high quality of these two new primaries, and has heightened local interest in the rebuilding of Woodway Park.

The City Council and the DfES have identified a sponsor who is prepared to make the necessary commitment to rebuilding Woodway Park. The sponsor is Mr Bob Edmiston an entrepreneur who has undertaken to build three new Academies in the West Midlands and is already well advanced in building the Grace Academy in Solihull. Officers working with staff employed by Mr Edmiston and the DfES have already done significant work on producing a written Expression of Interest, in accordance with a specification produced by the DfES.

Mr Edmiston is anxious to ensure that the new Woodway Park School can be delivered for an opening date of September 2008. To achieve this it will be necessary to get the Ministerial decision on the Expression of Interest before Parliamentary recess on 21st July. Achieving this will require the final Expression of Interest to be at the DfES by 4th July – hence the need to produce this Cabinet report in an extremely short timescale.

The catchment area which Woodway Park serves covers the New Deal for Communities area. The New Deal for Communities master plan is likely to see a significant increase in the number of houses in the area and therefore the number of secondary school children. The Academy project provides the opportunity not only to improve the quality of facilities at Woodway Park very significantly, but also to expand them to make sure that there is enough school provision in that part of the City for the new housing that is being planned.

The proposed Academy will have 7 forms of entry and will have a specialism in Business and Enterprise. The school will have an ethos based on Christian values and principles, but will not be a Church School and will not have any religious criteria in its Admissions policy. The Academy will operate the same admissions criteria as currently set out in the City Council's admissions policy for community secondary schools.

The Woodway Park Academy will be an independent school, but would have City Council representation on the Governors.

The Board of Governors at Woodway Park have given their support to the submission of this Expression of Interest.

4.2 The proposed Swanswell Academy

It has been the intention for some time to build a new state of the art secondary school as part of the Learning Quarter within the Swanswell Regeneration area, and significant public consultation has already taken place in relation to that principle. The other major element of the Learning Quarter is a new City College building, which is in the process of finalising its funding package. City College has applied for planning for Phase 1 and the process is well advanced, with a decision to be sought from the Planning Committee on 21st July. If the Learning Quarter vision is to be delivered, it is important that the new secondary school is developed on broadly similar timescales to the City College, with as much integration in the planning and design as is possible. To wait for the City's Building Schools for the Future allocation to be announced would mean that this window of opportunity is missed.

The use of Academy funding to build the Learning Quarter secondary school would mean that there would be much greater cohesion between the timescales for the development of the school and college. This would allow the maximum opportunity for the institutions to work together, and to work with other partners in the education sector, to make a real difference to the quality and range of educational opportunities for the communities that they serve. The dual development would also kick start the overall Swanswell Regeneration initiative.

Secondary schools numbers in Coventry will fall over the coming years (from 21,465 in January 2003 to approximately 20,348 by 2008: Source 2003 School Organisation Plan), and if no action is taken there will be significant surplus places in the City's secondary schools which will threaten the viability of some of those schools. Both Barr's Hill and Sidney Stringer face significant potential problems with surplus places, with the position at Barrs Hill being particularly acute. Sidney Stringer is also largely built of the same CLASP construction system as Woodway Park, and its buildings also present significant obstacles to improvements in the standard of education at the school.

In recent years Barrs Hill has suffered from low examination performance at GCSE in terms of A*-C passes and its performance in 2004 at 15% five A* to C's at GCSE was particularly disappointing. The City Council is already taking a range of initiatives in partnership with Barrs Hill to help improve educational standards – one of these has been the use of a much closer working relationship between Barrs Hill and Sidney Stringer. As numbers of both schools fall, the opportunity to build a new purpose designed Academy on the Learning Quarter site provides the opportunity to close both of the existing schools and amalgamate them into the new Academy, which would serve their combined catchments areas. A secondary school with close links to a college and surrounded by Coventry University would provide an excellent potential educational pathway for young people aged from 11 through into further education and higher education. It is proposed that the secondary school would have a sixth form, but this provision would be planned and managed in close co-ordination with other schools and City College. The College would make appropriate provision for some pupils who seek a more vocational context to progress their education Post 16.

Officers in Education and Libraries have been in discussion with DfES and with potential sponsors for the Swanswell Academy but at this stage have not been able to secure a funding arrangement. It has been agreed with DfES that a consortium for sponsors can be established which will include representatives from the City Council, Coventry University and City College and that this grouping of public sector partners can put forward up to 20% of the £2 million total sponsorship required. Other partners to join in this consortium are being actively sought, and the DfES is optimistic that it will be able to find such partners in the near future.

At this stage therefore an in principle approval is being sought for the Swanswell Academy as it is not possible to submit an Expression of Interest without the sponsorship being finalised.

It is proposed that within the overall principles outlined in this report, the responsibility will be delegated with the Director of Education and Libraries and the Cabinet Member Children Services to finalise an Expression of Interest for submission to DfES.

4.3 The Next Steps

Any changes to the nature of Local Authority School Provision must be the subject of specific and separate public consultation. It is therefore proposed that such a consultation be run in the city between September 5th and October 31st in 2005. This public consultation will include a public meeting in each of the three schools concerned the dates of which will be confirmed and publicised in due course.

While in technical legal terms the public consultation should relate only to the closure of the Local Authority schools, it makes sense to run public consultation on the opening of the new Academy at the same time so that all of the issues can be fully considered.

Following the public consultation a report will be made back to the City Council which will come to a view on the appropriate way forward in the light of the response it receives.

In parallel to this the DfES will consider the Expression of Interest and indicate whether it is prepared to fund the Academy proposal along with the sponsor as proposed in the Expression of Interest. Assuming that the Expression of Interest is agreed, detailed feasibility studies are then begun, and a Project Team is appointed to design the Academy to RIBA stage D (detailed design).

Assuming the City Council decides to proceed with the closure of the existing schools, and the DfES and the sponsor want to proceed with the Academy proposals, the matter will need to be taken to the City School Organisation Committee which will make final decisions on the school closures. The School Organisation Committee is an independent body, which exists in every Local Authority area and includes representatives of the Local Authority, the Dioceses, (in Coventry's case the Anglican and Catholic Dioceses) the Local Learning and Skills Council and elected representatives of School Governors. Decisions by the School Organisation Committee must be unanimous – any votes against the proposals means that they fall. In the light of proposals falling, if the proposing Local Authority wants to pursue the proposals it is referred to a Government appointed Adjudicator for a final decision.

The recommendations in this Cabinet Report therefore represent the start of a long process of consultation and decision making before these proposals move to the Implementation Phase. This process will specifically include a report back to the City Council on the detailed implications of the proposals and the outcome of the consultation.

It is proposed that public consultation be commenced on both proposals during the Autumn Term. It is important to note that the proposed Swanswell Academy can only move forward once sponsorship has been established and an Expression of Interest produced and agreed.

5 Other specific implications

	Implications (See below)	No Implications
Area Co-ordination		X
Best Value		X
Children and Young People	✓	
Comparable Benchmark Data		X
Corporate Parenting	✓	
Coventry Community Plan	✓	
Crime and Disorder		X
Equal Opportunities		X
Finance	✓	
Health and Safety		
Human Resources	✓	
Human Rights Act		X
Impact on Partner Organisations	✓	
Information and Communications Technology		
Legal Implications	✓	
Property Implications	✓	
Race Equality Scheme		X
Risk Management		X
Sustainable Development		X
Trade Union Consultation	✓	
Voluntary Sector – The Coventry Compact		X

5.1 Children and Young People

The proposed Academies will be of significant benefit to the children and young people in the city by improving the overall quality of education and the physical environment in which it takes place. Both schools are intended to act as Full Service Extended Schools and have outreach which will improve access to the facilities for the community as a whole. The proposals will also help address surplus places in secondary schools across the city.

5.2 Corporate Parenting

Both proposed Academies will have an admissions policy which gives highest priority to Looked After Children in line with the City Council's own published admissions policy.

5.3 Coventry Community Plan

These proposals are designed to support the Coventry Community Plan which puts Education at the heart of the City's vision for the future.

5.4 Financial and Property Implications

The financial implications for the Academy are complex.

The City Council will be required to release control of the sites of the proposed new Academies on a lease to the Trust set up by the DfES and the Sponsor so that the new school can be built. Land would be transferred to the Academy Trust at nil cost on a long term lease of 99 or 125 years with a peppercorn rent. In the event of failure of the Academy, the land would return to the City Council.

In the case of Woodway Park, the proposal is to lease the existing site to the Academy Trust for the development of the new school. There is no intention to expand or reduce the site.

In the case of the proposed Swanswell Academy, the City Council has already acquired land from Whitefriars, which together with some plots already in the Council's ownership, form the site which would transfer to the Academy Trust for the new school.

Advantage West Midlands would need to be consulted on the proposal as they provided grant funding towards the cost of the land acquisition from Whitefriars. Under the terms of that acquisition there will be some grant clawback payable to AWM, as a consequence of leasing the land to the Academy Trust. This cost has been allowed for within the funding for the Swanswell initiative in the City's Capital Programme.

The details of the financial and property implications for the proposed Swanswell Academy will need to be developed and finalised as and when the Expression of Interest is produced.

The proposed Academy will also allow for considerations to be made about the long term future of the current Sidney Stringer site (at least part of which is likely to be required for the sports provision of the Academy) and the Barrs Hill site. Members will be aware that the Sidney Stringer site has been proposed as the site for a replacement sports centre under a bid for PFI credits to the Department of Culture Media and Sports.

The proposed Academies will be independent schools and therefore their operating costs, and the risks attached to their operation, would no longer be the responsibility of the City Council. In recognition of this, the DfES will make adjustments to the national funding formula for Local Authorities (and after April 2006 Dedicated Schools Grant which will fund maintained schools) in relation to the number of pupils on the roll of the Academies. The Academies will then be funded directly by DfES at the levels broadly similar to those that they would receive from the City Council's Fair Funding Formula.

Modelling of the funding adjustment from DfES indicates that overall the loss of the government funding allocation for the pupils on roll of the three schools would be more than offset by the savings arising from no longer funding the schools from City Council resources. This net saving will fall within the coverage of the new Dedicated Schools Grant which will fund schools from April 2006, and will be redistributed to other schools, through the City's Fair Funding formula.

The Expressions of Interest if successful are likely to attract external funding into the City, to the tune of approximately £25m for each proposed Academy. Because these are independent schools there will be no capital financing charges falling to the Local Authority and no affordability gap which has been the experience of a great many schools built under the Private Finance Initiative around the country, and was the case in relation to the contract for the rebuild of Caludon Castle.

5.5 Human Resources

Because a proposed Academy is an independent school, the Academy and not the City Council will be the employer of its staff. Where an Academy replaces an existing school directly, it is anticipated that the Transfer of Public Undertakings (TUPE) Regulations will operate to provide for all employees, including the head teacher, generally to have a right to transfer to the Academy. A combination of these regulations and the City Council's policies for redeployment mean that it is unlikely that any teaching staff will be made redundant as a consequence of these proposals.

The Headteachers of the predecessor schools are in a slightly different situation in that the Headteacher's Post for the new Academy will need to be advertised.

5.6 Impact on Partner Organisation

The Education system depends crucially on the operations of partnerships between Local Authorities, Schools, the Learning and Skills Council and the variety of other statutory, community and voluntary bodies. Academies will represent a significant change in working practices and partnerships, but it is intended that both proposed Academies will operate within the well established partnership arrangements which exist in Coventry albeit from a different legal basis. Specifically we would intend that these Academies operated the City Council's normal admissions policies, and had a catchment area like other secondary schools in the city. The schools will be active members of the Teaching and Learning Federations and would be full contributors to the City's strategy for improving Education e.g. the SEN and Inclusion Strategy.

5.7 Trade Union Consultation

There will be a full public consultation on these proposals which will include specific discussions with Trade Unions. Initial discussions on the principle of Academies have already indicated that some of the City's Trade Unions will be opposed in principle, and that there will be specific issues concerning the implications for the terms and conditions of employment given that that the Academy and not the City Council would be the employer in the future.

	Yes	No
Key Decision	√	
Scrutiny Consideration (if yes, which Scrutiny meeting and date)		√ Note: The process for dealing with this report as an urgent Key Decision will be discussed at SCRUCO on Wednesday, 22nd June
Council Consideration (if yes, date of Council meeting)		√

List of background papers

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Papers open to Public Inspection

Description of paper

Location