

HAMPSHIRE COUNTY COUNCIL**Report**

Committee/Panel:	Cabinet
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Title:	White Paper, Educational Excellence Everywhere
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1. Summary

1.1. The purpose of this paper is to brief members of Cabinet about the Government's White Paper, Educational Excellence Everywhere which was published in March 2016. One of the cornerstones of the White Paper, forced academisation by 2022, has subsequently been dropped by the Secretary of State. Nevertheless the contents of the White Paper remain an ambition for the Government and they indicate a clear direction of travel for the future of education in England.

1.2. The White Paper sets out a revised role for the Local Authority and this paper explores the potential consequences for Hampshire County Council, particularly for those services directly supporting core school improvement activity. At this stage no decision is required by Cabinet but it is likely that future decisions will be required based upon the direction of travel outlined in this paper.

2. Contextual information

2.1. The quality of education within Hampshire is strong. Overall, 85.3% of schools in Hampshire are judged to be good or outstanding with only three currently judged inadequate out of the 535 schools.

2.2. Early Years and Primary Education is amongst the best in the country. In 2015, Key Stage 2 outcomes in the core subjects of reading, writing and mathematics were higher than any of our statistical neighbours at both at the expected national standard of Level 4+ and the higher standard of Level 5+. Out of the 427 infant, junior and primary schools 414 are maintained by the Local Authority with only 13 being academies.

2.3. Outcomes at the end of secondary education were strong last year with Hampshire outperforming the national average by 3% in the key measure of the proportion of students attaining 5 A*-C in GCSEs including English and

mathematics (60%). Individual secondary school performance is patchier with some schools, particularly sponsored academies, not performing as well as might be expected. In addition, overall secondary schools need to do much better for those children living in circumstances of relative poverty. Last year only 30.5% of students entitled to free school meals attained 5 A*-C in GCSEs including English and mathematics. Out of the 70 secondary schools, 40 are maintained by the Local Authority, 22 are standalone single academy trusts, two are part of a multi-academy trust and six are sponsored academies.

3. Finance

- 3.1. Alongside the White Paper, there is an associated consultation about school funding and the amount of finance made available to the County Council in the form of the Education Services Grant (ESG). Large reductions are currently being proposed to the ESG which will need to be factored into the Council's "Transformation to 2019" programme.

4. A New Framework for Education in England

- 4.1. At the heart of the White Paper is an aspiration that all schools should become academies. Whilst high performing schools can still opt to set up single academy trusts, the White Paper sets out a preference for the creation of multi academy trusts.
- 4.2. A multi academy trust is the cornerstone of the proposed system. The trust would comprise trustees with "the right skill sets". Whilst this statement has not been fleshed out in the White Paper it has been taken to mean individuals with significant experience in the private sector running companies and people with experience in key areas such as financial management or human resources. The White Paper makes it clear that only individuals with valued skill sets should become part of a multi academy trust and therefore there are no automatic rights for stakeholders such as parents or staff.
- 4.3. Within the White Paper it is stated that multi academy trusts would run between five and fifteen schools. Since the publication of the White Paper, thinking appears to have moved on with the National Schools Commissioner, Sir David Carter, stating that he believes the number of students a multi academy trust oversees is as important as the number of schools. His view is that the minimum size of a multi academy trust should be 1,200 students. He envisages four types of trusts; starter trusts of 1-5 schools, established trusts of 6-15 schools, national trusts of 16 – 30 schools and system leader trusts of 30+ schools.
- 4.4. The role of the multi academy trust is to ensure that all schools within the trust perform highly and that any weaknesses are addressed. The White Paper states that each trust will want a single point of accountability and therefore it is envisaged that each trust would appoint a Chief Executive Officer (CEO). The CEO would potentially have wide ranging powers being able to directly line manage the headteachers in the trust and move staff to where they are most needed. In addition, the funding agreement is between the DfE and the

trust (see section of finance below) rather than individual schools therefore the CEO would be able to direct funding within the trust to help address any deficiencies.

- 4.5. The multi academy trust would determine the areas they would directly oversee and which, if any, they might delegate to an individual school governing body. In the White Paper it is suggested that individual governing bodies would become the champions of children, parents and the local community. The scheme of delegation between the trust and individual governing bodies will be an important document.

5. The Role of the Regional Schools Commissioner

- 5.1. Within the proposed new system, single academy trust and multi academy trusts are accountable for outcomes within their schools. Ofsted will continue to provide independent inspection to prevent multi academy trusts from becoming too self-referential. Where individual schools or multi academy trusts are under-performing it will be the role of the Regional Schools Commissioner (RSC) to intervene and also to provide challenge and support.
- 5.2. The DfE has already given the RSC wide ranging powers over all academies and maintained schools within the recently published statutory guidance for schools causing concern (March 2016). Extending the RSC's powers is not dependent on new legislation. Where a maintained school is judged inadequate by Ofsted, the RSC has a duty to issue an academy notice and find a suitable sponsor. Where a maintained school is underperforming the RSC can issue a warning notice, and if this is not complied with, can force the school to become a sponsored academy. The RSC has a new role challenging schools that are deemed to be coasting and again can broker sponsored academy status if he/she does not consider the school has capacity to improve. Within the guidance the RSC has exactly the same powers over academies. Where a multi academy trust is deemed to be failing the White Paper envisages the RSC either brokering a sponsor to take over the trust or asking another multi academy trust to assume responsibility.
- 5.3. In addition, the White Paper clearly sets out a role for the RSC in supporting schools by commissioning support the school needs to improve. Outstanding and good schools will be able to commission their own support but where a school is underperforming the RSC will have access to a school improvement budget to directly commission support. The expectation is that this budget would be used to commission support from National Leaders of Education, Teaching Schools and Third Sector organisations such as Future Leaders rather than traditional sources such as Local Authorities.

6. Role of the National College for Teaching and Learning

- 6.1. The purpose of the National College is redefined and within these proposals it takes on a role for increasing the future supply of teachers into the profession. It will organise high profile campaigns and develop web based advertising so that schools can advertise vacancies free of charge. In addition, it will oversee the development of leaders and system capacity.

7. Role of the Local Authority

- 7.1. The White Paper proposes a changed role for the Local Authority. The key roles set out in the White Paper are ensuring that there are sufficiency of places to meet need, admissions, home to school transport, safeguarding, SEN, overseeing testing arrangements and being a champion of parents and pupils.
- 7.2. The White Paper specifically states that Local Authorities should step back from school improvement by the end of the current financial year. The DfE takes a specific and narrow view of school improvement based around intervening in schools that are currently underperforming. Whilst the Secretary of State has concluded that schools can continue to remain as maintained schools if they are performing well, it would be premature to view this as implying that the restriction on Local Authorities undertaking school improvement work in schools that are currently underperforming will be changed.
- 7.3. Arguably, the success of the Hampshire system occurs because of a much wider definition of school improvement. School improvement professionals currently work with school leaders to ensure that high performing schools remain high performing, that good schools become outstanding, that any areas of underperformance are tackled rapidly before they become systemic and they work with governing bodies to put in packages of support where there is the potential for decline such as when there is a large turnover of senior staff. Carrying out this role requires an in-depth knowledge of each school and a field force of outstanding experienced school improvement professionals steeped in a background of successful school leadership.

8. School and Local Authority funding reform

- 8.1. In March 2016 the DfE launched the first phase of a two stage consultation on a new Schools National Funding Formula. It is not directly linked to the White Paper in that it has been long planned that the government would move to a national funding formula in this parliament. However, the timing and nature of the proposed changes mean that it is interlinked with the White Paper proposals and is a central part of government thinking on the role of the local authority in schools.
- 8.2. Stage One of the consultation sought comments on the main principles of a schools national funding formula and closed on 17 April 2016. Hampshire submitted a detailed response. The timeline for Stage Two is unknown, although it is expected in June or July 2016 to allow implementation in April 2017.
- 8.3. In summary the proposals are to introduce a national funding formula for schools from 2017-18. There will be four 'blocks' in the new formula:

- Schools
- High Needs
- Central
- Early Years

8.4. For 2017/18 and 2018/19 the proposal is that the total amounts for each authority are calculated through running the formula nationally at school level but then totalling the budget to Local Authority level and continuing the current system of Schools' Forum running a local formula for apportionment of funding within the local area. The intention is to use those two years to iron out any early glitches before moving to a 'hard' formula from 2019/20 where the funds for mainstream schools will flow directly from the DfE to schools. The role of the Local Authority and Schools Forum will then be focussed on the remaining high needs, early years and central blocks.

8.5. Each 'block' will have its own allocation of the total education funds available at a national level and will then further distribute these to a series of further 'blocks'. Until the level of funding that will be allocated to each of these blocks is known, the overall financial impact for Hampshire schools cannot be assessed.

8.6. There is further complexity in this picture with the announcement in the Chancellor's budget speech that the Education Services Grant, which is paid to local authorities, would be very significantly reduced nationally for local authorities from the current £75 per maintained pupil to £15 by September 2017. The remaining £15 will be placed into the Central block of the Schools Budget (see 8.3 above) for the Local Authority's statutory duties to pupils in all schools including Academies (eg attendance). The funding consultation also proposes that Local Authorities will be able to top slice the total maintained school 'block' to cover other duties they perform for maintained schools in the same way that an Academy chain would topslice the schools it oversees to cover its central costs.

8.7. There is much still to be clarified within these proposals and we hope that the Stage Two consultation will enable us to work out the detail of the financial impact for Hampshire schools and the Local Authority.

9. Future national policy direction – challenges and opportunities

9.1. Although the commitment to introduce legislation to force all schools to be academies has been abandoned the preferred direction of travel remains the same. Consequently, there are a number of policy and financial levers that will inevitably lead to a higher number of academies within Hampshire. Some schools are actively looking at setting up multi academy trusts voluntarily, both Anglican and Catholic dioceses are encouraging "their" schools to become academies and join their respective multi academy trusts, several

new schools will be needed and officers are already setting those up within a context that requires any new school to be a Free School academy, any school judged inadequate will become a sponsored academy and the RSC is likely to use the powers of intervention when standards are not high enough over a period of time as defined in the statutory guidance for Schools Causing Concern.

- 9.2. In addition to the policy framework there are financial levers that will make it more challenging for the Local Authority's school improvement teams to exist within their current form. The reduction in ESG available to the County Council will make the financial climate harder. It is unlikely that the RSC will directly commission school improvement from a Local Authority as he/she will be trying to realise the Government's ambition for a fully academised system. School improvement money flowing from the DfE and National College will most likely bypass the Local Authority. Over the lifetime of the last parliament, Hampshire County Council's school improvement team has been excluded from nationally funded initiatives specifically because they are part of the Local Authority.
- 9.3. Many Local Authorities, including Hampshire, are already exploring innovative options to address these challenges and to take advantage of the emerging landscape. Elsewhere these include setting up joint ventures with schools to create new ways of working. Croydon has just set up such a model with 40% council ownership, 40% school ownership and 20% staff ownership. Officers have visited authorities like Newham, Hertfordshire and Buckinghamshire where alternative structures have already been established. These structures typically contain the main services that act as levers to drive school improvement such as school improvement professionals, governor services, finance and human resources.
- 9.4. More analysis needs to be undertaken before officers bring forward proposals as to whether the Council should consider establishing an alternative model such as these. There are some key drivers that we would wish to underpin any alternative model and these will need to be addressed in any proposals. These include making sure that:
- the County Council's democratic mandate underpins the work of the model,
 - the strong reputation of Hampshire is maintained and built upon to improve outcomes for children and young people,
 - we keep the family of Hampshire schools together in an increasingly atomised system, especially in a time of significant financial pressure,
 - any model of school improvement is sufficiently schools-led so that it becomes acceptable as a service to be commissioned by the RSC, DfE and National College,
 - the model works effectively for the Local Authority to discharge its statutory duties towards maintained schools,
 - school leaders are sufficiently engaged so that they can play an increasingly significant role in co-constructing the professional learning offer,

- mutual synergies are created between any model and Teaching Schools so that they co-exist in a collaborative framework,
- any model becomes financially self-sufficient,
- we meet the aspirations and motivations of staff to ensure retention and recruitment,
- we maintain the confidence of schools and governors by adding value without compromising on the quality of existing services,
- we preserve the necessary capacity and infrastructure to remain efficient and effective.

9.5. In addition to the above, officers are also exploring a range of other options such as the creation of a multi academy trust capable to sponsoring and turning round failing schools and, potentially, positioned as a sponsor able to open new Free Schools in Hampshire thus assisting in our statutory duty to ensure sufficiency of places. Throughout the White Paper it suggests that officers should leave the employment of the County Council to set up these arrangements. However more recent Ministerial comments appear to point to a softening of that position. We are currently exploring whether it would be permissible for a highly performing Local Authority to directly sponsor one or more multi academy trusts.

10. Recommendations

- i. That Cabinet note the contents of this report.
- ii. That Cabinet authorise officers to continue to explore viable options with regards to the positioning of school improvement and associated services including the potential for setting up multi academy trusts.
- iii. That Cabinet receives further reports during the Autumn Term 2016.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;

Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;

Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;

Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;

Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

Equality objectives are not considered to be adversely impacted by the proposals within this report.

2. Impact on Crime and Disorder:

2.1. This report has no impact on crime and disorder.

3. Climate Change:

How does what is being proposed impact on our carbon footprint / energy consumption? Not applicable to this report.

How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? Not applicable to this report.