



# Proposal to form West Midlands Academy Trust

## *Updated* Questions and Answers

*Updated: Questions and answers in italics have been added based on consultation responses received up to 17 June 2024. These additional questions are shown throughout the document at the end of relevant sections.*

This consultation document is jointly published by the Governing Bodies of Hall Green School, Kings Norton Girls' School, and Swanshurst School as part of the consultation about whether the schools should establish a new multi-academy trust (West Midlands Academy Trust, WMAT) and for all three schools to become academy schools within WMAT.

### **1. What is being consulted upon?**

The consultation is about whether Hall Green, Kings Norton and Swanshurst schools should jointly form a new MAT (West Midlands Academy Trust, WMAT) and all be academy schools within WMAT.

This is the consultation about that proposal, and is being undertaken in accordance with the requirements of the Academies Act.

To simplify the response processes for stakeholders, and enable them to consider all aspects of the proposal at once, we are undertaking a single joint consultation on behalf of the three Governing Bodies. All responses received through the consultation will be reviewed by all three Governing Bodies.

### **2. What does the proposal mean for my child? What are the benefits of forming WMAT?**

Hall Green, Kings Norton and Swanshurst are each successful – this proposal is about future improvement, not about making lots of changes to any of the schools now. The benefits of the proposal are in what it allows us to do together more effectively than each of us can do alone – such as staff recruitment, development and retention by providing more opportunities as a

result of being one larger organisation. Similarly, collaboration between our staff will help all three schools learn from the others to improve our collective practice across every aspect of school leadership and operations. This can include curriculum, pedagogy, operations, finance, pastoral support and so forth.

If WMAT is formed, your child's experience the day afterwards would be the same – they would be taught the same curriculum, in the same way, by the same staff, with the same school day timings. Over time we expect things to evolve as we work together to keep improving by learning from each other and from other schools that join WMAT in the future.

### **3. Do the three schools share the same vision for WMAT?**

*Yes. Senior Leaders and Governors from the schools have been involved in developing the proposals, including developing a shared future vision and key principles for WMAT. Each Governing Body reviewed and endorsed these key principles as part of their in-principle decision about proceeding.*

### **4. With a vision for considerable autonomy in the founding schools, what specific things will be better together?**

*The focus for the trust initially would likely be to:*

- *Identify and address shared challenges, where the scale of being a trust can enable approaches that are not possible for individual schools – for instance, potentially regarding early help, mental health support*
- *Provide opportunities and structures for staff to collaborate, so improving knowledge, skills and experience of staff and improving the quality of resources available to pupils and staff across the trust*
- *Shared approaches to policies and practice where consistency is required to ensure compliance with legislation or DfE requirements – this can help to reduce workload / duplication and improve organizational performance.*

### **5. Why is this being proposed now?**

*The move to schools being part of a formal family of schools, such as a multi-academy trust, has been happening for over 10 years. Over 80% of secondary schools in England are now academies. Within Birmingham, over 80% of the secondary-phase schools are academies, and over 75% of these academies are within MATs. The 23 MATs that include Birmingham secondary schools range in size from 2 to nearly 40 schools.*

*It is becoming clear that being part of a family of schools offers opportunities that are not available to single schools – a broader range of staff to collaborate with (so improving the quality of classroom practice), the potential for greater professional development and career opportunities for staff, and greater resilience within staffing structures (especially for smaller schools) coupled with greater opportunity for specialisation. Working together enables schools to have opportunities to address shared challenges, such as the recruitment and retention of staff or the need for greater capacity and expertise to support mental health.*

*This move towards families of schools appears inexorable, with so many schools now within MATs that it seems extremely unlikely that the system would be changed. Heading into the 2024 general election, neither the current Government or the main opposition party are suggesting changing this policy. As strong and successful schools, Hall Green, Kings Norton and Swanshurst want to benefit from the advantages of being within a MAT, but want to have the opportunity to develop a new MAT for the region that reflects our principles and values.*

**6. Would school uniforms change to become the same (or very similar) across the trust?**

No.

## **What is an academy school?**

**7. What is an academy school?**

An academy school is an independent state school, funded directly from central government. A charitable company limited by guarantee (the Academy Trust) is responsible for the academy, and the Academy Trust signs the Funding Agreement (the contract) with the Secretary of State as part of the establishment of the academy.

**8. How is an academy school different from being a community school as Swanshurst is now?**

There are a number of legal and practical differences between academy status and being a community school. These are outlined in the Annex at the end of this document.

**9. Does Ofsted inspect academies?**

Yes, Ofsted is responsible for inspecting academies using the same inspection framework as it does for maintained schools. Both Hall Green and Kings Norton have been inspected since they have been academy schools.

**10. How can the Secretary of State intervene in an academy?**

The Secretary of State has the ability to require the transfer of an academy school from one academy trust to another in certain situations, for example if a school is eligible for 'special measures' or 'requires significant improvement' following an Ofsted inspection; if student performance is unacceptably low; if there has been a serious breakdown in the governance or management of the academy; or if the safety of students or staff is threatened.

### **11. What role does the local authority have in relation to an academy school?**

*The statutory roles of a local authority regarding safeguarding, school admissions, school place planning and SEND continue; the local authority remains the organisation that names the school for children with an education, health and care plan (EHCP) for example.*

*There are areas where the local authority does not have legal powers in relation to academies that that it does have for community schools or (sometimes) for all local authority maintained schools. Instead, powers of oversight and regulation are with the Secretary of State / Department for Education for academies. The Annex sets this out in more detail.*

### **12. What services does Birmingham City Council currently provide to Swanshurst that would cease if the school was to become an academy?**

*The local authority provide statutory services only. As Swanshurst School is judged to be outstanding, the local authority does not provide school improvement support and does not carry out any statutory intervention work. The school currently buys in separate services for areas such as HR, payroll, health and safety and building compliance. The need for these bought in services would remain post-conversion. Following academisation, the financial oversight function carried out by the local authority would cease and Swanshurst's financial compliance would be audited in line with the requirements of the Academy Trust Handbook.*

## **Governance and leadership**

### **13. How would the academy trust be governed?**

WMAT would be established as a charitable company limited by guarantee. The Secretary of State for Education is the regulator of Academy Trusts. The DfE has standard Articles of Association for MATs that become the governing document of the Academy Trust.

To establish an academy school WMAT signs a Funding Agreement (the contract) with the Secretary of State to establish each school as an academy within WMAT.

A MAT has three levels of governance:

- Members – the guarantors of the charitable company – their main role is to appoint (and if necessary remove) Trustees, but they also have to approve changes to the name of the Academy Trust and the Articles of Association and have certain powers under company law;
- Board of Trustees – Trustees' exercise all of the powers of the MAT, and determine what powers are delegated to other committees and / or office holders. The Board of Trustees is the legal Governing Body for all schools within the Trust, and Trustees are also Directors under company law; and

- Schools Boards – Where a multi-academy trust has more than one school, Trustees would establish school-level governance to provide oversight of the educational offer to ensure that it meets the needs of its students, of the performance of the school, and of the views of its community.

If the decision is to form WMAT, it is currently anticipated that:

- The Members would include individuals who have current experience at one of the founding schools while also ensuring that they collectively have appropriate skills to appoint effective Trustees and, if necessary, remove Trustees;
- The Trustees would be appointed to ensure that they collectively bring a range of skills such as educational leadership, finance, legal, HR, community knowledge, etc. This breadth of skills is important to ensure that the Board can set the strategic direction for the Trust and effectively hold the CEO and leadership team to account. The Trustees would include individuals from the founding schools, and may include suitable individuals without a connection to any of the founding schools; and
- A School Board would be established for each school, with existing Governors (including parents and staff) ‘rolling forward’ from the current Governing Body to the School Board with their current terms of office.

Besides individuals who are elected (i.e. parents and staff on a School Board) or who are ex-officio (i.e. Headteacher), all other individuals are appointed based on the skills and experience that they would bring to the role. The emphasis would be upon creating teams who are collectively well qualified to undertake the tasks required of them in helping WMAT and its schools succeed.

#### **14. Who would the members and trustees be?**

These would be individuals who collectively have the skills necessary to fulfil their roles within the academy trust. At this stage the individuals have not been confirmed, but we expect both the members and the trustees to include individuals involved in the governance of the founding schools, and where necessary to supplement those with individuals with suitable expertise who are not associated with any of the founding schools currently.

#### **15. How would parents and staff become part of their respective School Board?**

This would be through the same process as currently operates. When there is a vacancy, applications are sought from the relevant group (parents or staff), which may outline skill sets that would be particularly useful to the School Board for parent vacancies. If there are the same number or fewer applications than vacancies then those individuals who applied are appointed. If there are more applications than vacancies, the relevant group vote to decide who joins the School Board.

**16. Who would be the Headteacher of each school? Would there be a Chief Executive of WMAT? If so, who would that be?**

Under TUPE, the existing Headteachers would transfer into the same roles within the MAT. The Department for Education require a single named individual to be the Accounting Officer and, given the Trust would wish to grow, this individual would also become the Chief Executive. This would not be a full-time role initially. The CEO / Accounting Officer role would be ringfenced for applications from the existing Headteachers, with the appointment decision being made by the trustees of WMAT.

**17. What would happen if the schools disagreed about a decision in the future?**

*The expectation is that the Executive Team (consisting of the Headteachers, Chief Executive, and Chief Finance Officer) would make recommendations to the Trustees where the Board of Trustees needs to make the decision. Through this process the impact upon each school could be identified, and these impacts (and the views of the leaders of that school and the School Board for that school) could be reported to Trustees as part of the information before they make a decision. The Board of Trustees would be responsible for making decisions that affect all of WMAT, such as budgets, whether to admit a new school, or trust-wide policies. While the expectation is that decisions will be reached at by consensus, ultimately the legal responsibilities of Trustees is to make such decisions in good faith and in the best interests of the trust overall.*

**18. Is there a risk of 'one size fits no one' – i.e. that standardisation or centralisation does not meet the needs of individual pupils or different schools?**

*We are aware of this risk. To avoid that risk, the key principles for WMAT focus upon pupils and schools, with the Trust activity being in areas where working together can add value (i.e. where more can be achieved together than working alone, such as addressing shared challenges such as staff recruitment and retention) or to ensure compliance with legislation / DfE requirements. There is no intention to create a prescriptive Trust approach in areas that restrict the ability of schools to meet the needs of their pupils. The schools are extremely clear about the importance of professionals in each school being able to make the right decisions for their pupils in their context.*

## **Academy funding**

**19. Do academies receive extra funding compared to community schools?**

Hall Green and Kings Norton are already academy schools and the funding calculated for each school would be the same as it is now if WMAT is formed. *Both schools are able to bid for additional funding to support building and estates improvement work (the Condition Improvement Fund, CIF). Both schools have historically benefited from access to this funding which is not available to non-academy schools.*

For Swanshurst, the funding that it would receive as an academy would be very similar to that which it receives as a community school. *It may be slightly more as it would no longer have any 'de-delegation' of the funding it receives from the local authority.* The core revenue funding methodology is the same, with only minor technical differences that are unlikely to be material to the decision of the Governing Body. One point of difference is that an academy financial year runs from September to August and so matches the academic year.

*If Swanshurst becomes an academy, WMAT would also be able to bid for CIF (Condition Improvement Fund) to support work to develop the physical estate at the school. This is not currently available for non-academy schools.*

## **20. Would funding be redirected so that one school might subsidise another?**

*The funding that a MAT receives is calculated at school level based on a funding formula that is based on a combination of national and Birmingham factors – i.e. funding for Swanshurst is calculated separately to funding for Kings Norton. The intention of WMAT is that each school receives the funding that has been calculated for it, less a contribution to the central costs of the trust (i.e. those costs that are incurred only one but need to be shared between the schools). The spending of these central funds would have a direct positive impact on WMAT schools. This contribution would be a percentage of income so that the methodology is equal across the schools. There is no intention to redistribute funding so that one school routinely subsidises another.*

## **Admissions policies**

### **21. Would there be changes to the number of students admitted into Year 7 to any of the schools or to the over-subscription criteria for admission?**

The admissions policy for the 2024/25 and 2025/26 academic years have already been set for each of the schools and these would not change if WMAT is formed. WMAT would be the admissions authority for each of the schools; currently Hall Green and Kings Norton are their own admissions authorities (as single academy trusts) and Birmingham City Council is the admissions authority for Swanshurst (as it is a community school).

The admissions policy for subsequent years has to be agreed by the end of February each year for the academic year that starts 18 months later – i.e. by the end of February 2025 for the 2026/27 academic year.

There is no intention to change the number of Y7 places that are available (the Published Admission Number), or the over-subscription criteria, at any of the schools.

There is no intention for either Kings Norton or Swanshurst to admit boys into Years 7 to 11 (each already have co-educational sixth forms).

**22. Would Kings Norton or Swanshurst admit boys into Y7? Would Hall Green become a school for girls only?**

*No and no. There is no intention for either Kings Norton or Swanshurst to admit boys into Years 7 to 11 (each already have co-educational sixth forms). There is no intention for Hall Green to stop admitting boys.*

**23. Would Kings Norton Boys' pupils still have priority for admission to the KNGS sixth form?**

*Yes, there is no intention to change the admissions or over-subscription criteria for Y12 at KNGS if WMAT is formed. Admission would still require pupils to achieve the required entry grades for the sixth form courses that they wish to study.*

## **Educational implications**

**24. What are the safeguards for vulnerable students?**

Under the terms of the Funding Agreement (which is the contract between WMAT and the Secretary of State), an academy has to act in exactly the same way as a maintained school in relation to Special Education Needs, behaviour, and exclusions.

**25. Who is responsible for deciding if a student needs an Education, Health and Care (EHC) Plan?**

The local authority would retain the legal responsibility for leading this process (which they have now), and for determining whether any of the schools is named on the EHCP.

**26. Would the trust move / passport pupils between the schools?**

*Pupils would continue to be admitted onto the roll of an individual school, based on the admissions criteria of each individual school. As stated in the previous section, there is no intention to change the admissions policy for any of the schools.*

*The schools in WMAT would continue to engage in the South networks passport and sharing panel processes as they do currently.*

*Occasionally it is agreed for individual pupils to transfer to another school. This may be for a short period of time (6 week Passport/ offsite direction) or a longer sharing panel placement. If the transfer is successful the pupil may move permanently to that school. If WMAT was formed, the schools would continue to be part of that collaborative process, and so a small number of pupils may continue to move between schools. There would not be an expectation of pupils from one WMAT school transferring to another WMAT school rather than to a different school. The*



*successor school is identified based on the circumstances of the individual pupil in order to give the transfer the best possible chance of success.*

## **Land and buildings**

### **27. What happens to the land occupied by the schools?**

The land occupied by Hall Green and by Kings Norton is freehold owned by their respective academy trust. This land would transfer to WMAT.

Birmingham City Council own the Swanshurst site, and would grant a 125 year lease (at peppercorn rent) to WMAT on the date that the school joined WMAT.

### **28. How does an academy access capital funding?**

Academies receive some capital funding, called Devolved Formula Capital, according to the same methodology as maintained schools. This is the same arrangement as applies now for Hall Green and Kings Norton.

To access additional capital funding for specific projects (most typically those related to condition needs of the building, such as heating systems or roof works) academies in single academy trusts or small multi-academy trusts have to bid to the Education and Skills Funding Agency (ESFA), which acts on behalf of the DfE. This is the process that Hall Green and Kings Norton currently go through, but is different to the process for Swanshurst where currently Birmingham City Council is the responsible body for the buildings. Swanshurst currently self-funds much of its estates improvement work.

If WMAT grows, once it reaches a certain size (currently 3000 students and 5 schools) it becomes eligible for direct School Condition Allocation funding. This is calculated according to a national formula and the WMAT Trustees would then determine how it should be spent based upon the needs of the estate and their vision and priorities.

## **Consultation process**

### **29. Who is being consulted?**

The consultation document has been issued to staff and parents at each of the schools. It has also been issued to Birmingham City Council (including local ward councillors where the schools are based), local primary, secondary and special schools, and local colleges.

### **30. Will the Governors listen to the views from the consultation?**

Yes, every response will be considered by all three governing bodies. The responses will help each governing body consider the relevant issues before each makes their own independent decision about whether to proceed.

## **The future**

### **31. How would the culture of WMAT be protected if founding leaders are no longer there?**

*Senior leaders and Governors wish to ensure that the WMAT key principles are firmly embedded into the culture and practice of WMAT. If this is achieved successfully, WMAT would develop future leaders who share those same beliefs, and attract like-minded staff. This is the same challenge as individual schools face when recruiting new staff; being part of a successful MAT provides greater opportunity to develop our own future leaders and to spread our philosophy.*

### **32. Would the trust intend to grow in the future and admit more schools? If so, could / would these be local primary schools?**

*The trust would expect to grow, and anticipates that – if it is as successful as it intends to be – schools would wish to join it. The name West Midlands Academy Trust gives a clear indication as to the geographic extent of the trust.*

*The schools who join in the future could be secondary schools, primary schools, special schools, or alternative provision schools. Before the decision was taken to admit any school in the future thorough due diligence would be undertaken to ensure that WMAT understood the strengths and areas for development of the joining school, and that it could support the identified areas of development. The most important aspect of due diligence would be to ensure that the culture, vision and values of the school matched those of WMAT.*

### **33. Is there a risk that WMAT could be required to join a larger trust in the future?**

*The best way to be in control of our destiny, and so be able to decide when and how WMAT grows, is for our schools to continue to be educationally successful, financially sustainable, and operationally effective. If we achieve these things while adhering to our key principles and values then we anticipate that WMAT would be an attractive trust for other schools to join.*

*If we are unsuccessful, the Department for Education has powers to require individual schools to transfer to another trust in certain situations, for example if a school is eligible for ‘special measures’ or ‘requires significant improvement’ following an Ofsted inspection; if student performance is unacceptably low; if there has been a serious breakdown in the governance or management of the academy; or if the safety of students or staff is threatened. When such a school is within a small trust, the DfE does sometimes seek to transfer all schools within the*

*small MAT to other trust(s). The onus is therefore upon us to ensure that we are as successful as we intend to be – our confidence in achieving that is borne from the quality of our staff, leadership and governance.*

## Annex: Differences / implications of academy status

Area	Community School	Academy	Changes if become an academy
<b>Legal structure / governance / DfE intervention</b>			
Legal structure	Local authority maintained school under SSFA 1998.	A Multi Academy Trust is a charitable company limited by guarantee. It is an exempt charity, with Secretary of State as the regulator.	Different governance structure (Members, Trustees, School Boards). Accountable to Secretary of State (regulator, Funding Agreement) rather than local authority.
Accountable Body	Governing Body	Board of Trustees	
Accounting Officer	Headteacher	Chief Executive	
Changes to constitution	Instrument of Government must comply with School Governance (Constitution) Regulations 2012 but within that can be amended by the Governing Body and confirmed by the Council.	Articles of Association – Members approve changes, except for governance clauses (which also require DfE approval) or Objects of charity (where also require Charity Commission approval)	DfE rather than local authority approval required for future changes to governance structure.
Governance info to DfE	Have to provide details of Governors to DfE via GIAS website within 14 days of changes	Have to provide details re Members / Trustees / Governors to DfE via GIAS website within 14 days of changes.	
Intervention powers / Funding Agreement termination	Intervention arrangements set out in part 4 of Education and Inspections Act 2006 – performance / standards, safety, adverse Ofsted inspection outcome. Intervention may be via LA or DfE. DfE can require academy conversion if school is eligible for intervention (as defined in EIA 2006)	<ul style="list-style-type: none"> <li>• 7 years’ notice by either side</li> <li>• Secretary of State can seek to terminate if breach of Funding Agreement, standards are “unacceptably low”, serious breakdown in management / governance, safety of students or staff is threatened or after adverse Ofsted</li> <li>• MAT can seek to terminate if no longer a going concern</li> </ul>	<p>Grounds for intervention are very similar for community schools and academies.</p> <p>Mechanism for intervention is via contract management with transfer to another academy trust for an academy, compared to potential intervention by LA or DfE as a community school.</p>

		<ul style="list-style-type: none"> <li>In practice Secretary of State ‘rebrokers’ (i.e. transfers) the academy to another trust</li> </ul>	
<b>Curriculum and student support</b>			
Safeguarding	Subject to legislation and DfE statutory guidance re safeguarding. Staff, Governors require DBS.	Subject to legislation and DfE statutory guidance re safeguarding. Staff, trustees, Local Board members require DBS.	
Single Central Record	Required.	Required.	
Prevent	Statutory guidance for schools.	Statutory guidance for schools.	
Curriculum	Must follow the national curriculum (part 6, Education Act 2002)	Must be “balanced and broadly based” to Year 11, including English, Maths, Science and RE (2.22 of MFA)	Academy has more freedom in a legal sense, but in practice still preparing students for KS4 /KS5 examinations based on the required curriculum.
RE / Worship	Included within national curriculum requirements.	Must provide RE in same way as community school (2.X of SFA); and must ensure that at least once a week an act of collective worship is held which students may attend (2.U of SFA)	No change in practice.
Relationships and Sex Education and Health Education	Included in national curriculum; opt-out for sex education elements	Required to provide (2.Z of SFA); opt-out for sex education elements	No impact in practice.
Admissions	Must comply with School Admissions Code and School Admissions Appeals Code. Local authority is the admissions authority – sets policy (Published Admission Number and over-subscription criteria) and determines who is offered places in accordance with the determined policy.	Academy Trust is the admissions authority. Required to act in accordance with School Admissions Code (2.F of SFA).	Change in admissions authority (LA to academy trust). Policy must still be compliance with School Admissions Code. (Note, no intention to change policy)
Meals	Must comply with guidance in relation to free school meals and to school food standards legislation.	Must comply with guidance in relation to free school meals and to school food standards legislation.	

Careers guidance	As required by legislation / statutory guidance.	In accordance with requirements for maintained schools from Education Act 1997 (2.27 of MFA).	No change in practice.
<b>HR and staffing</b>			
Employer	Local authority is the employer and sets Terms and Conditions. Most employment decisions are delegated to the Governing Body.	Academy Trust	Staff transfer via TUPE.
Teachers	Must employ qualified teachers unless a statutory exemption applies	Can employ anyone it believes is suitably qualified or otherwise eligible to plan and prepare lessons, teach, assess and report (2.A of SFA).	Greater legal freedom regarding who can teach pupils.
Teachers T&C / payscales	Must employ teachers in accordance with School Teachers Pay and Conditions Document (STPCD) / Burgundy Book. Payscales set by GB but must be within STPCD provisions.	Able to set own T&C for future new staff.	Greater legal freedom (Note, intend to continue to use STPCD / Burgundy Book and union recommended pay scales, as Hall Green and KNKS have done)
Support staff T&C / payscales	Must employ teachers in accordance with Local Authority Terms and Conditions (which include Green Book). Payscales set by Local Authority.	Able to set own T&C for future new staff.	Greater legal freedom. (Note, intend to continue to use Green Book provisions)
Specific staffing requirements	Must have: <ul style="list-style-type: none"> <li>• Designated safeguarding lead</li> <li>• Designated teacher for looked after / previously looked after children</li> </ul>	Must have: <ul style="list-style-type: none"> <li>• Designated safeguarding lead</li> <li>• Designated teacher for looked after / previously looked after children</li> </ul>	
Pensions	Must offer Teacher and Local Government pension schemes – automatic entry to both	Must offer Teacher and Local Government pension schemes – automatic entry to both	
Local Government Pension Scheme	School is within the Council fund and pays that employer rate.	MAT is own employer with own fund. Employer rate may vary to that of the Council or College.	Potential change in <b>employer</b> contribution rate.
<b>Finance</b>			

Financial year	April to March	September to August	Change in financial year so that it aligns with academic years
ESFA funding basis - revenue	Pre 16 funding based upon local formula that is set within national parameters. Post 16 funding calculated using national funding approach. Funded student numbers based on previous October census. Funding confirmed March.	Same data sets and formulae used to calculate pre 16 and post 16 funding. Some minor technical differences but not material. GAG funding confirmed usually beginning of April. ESFA pay GAG monthly in equal instalments, at the beginning of the month.	Same principles, but slightly different processes.
LA SEN funding basis	Top up funding agreed with commissioning LA.	Top up funding agreed with commissioning LA.	
Government capital funding for condition / suitability	Receive Devolved Formula Capital. LA is responsible body for condition / suitability works. (Note, Swanshurst has funded much of the recent capital works, and is funding the proposed redevelopment of the gyms)	Receive Devolved Formula Capital. Can apply to Secretary of State (ie Condition Improvement Fund) for larger projects, subject to application criteria. [Note, larger MATs get a formulaic allocation]	MAT becomes responsible for Swanshurst, seeks funds from DfE rather than local authority.
Capital funding for expansion	LA has 'basic need' capital funding from DfE for demographic changes	LA can use 'basic need' funding on academies; academies can seek funds via Condition Improvement Fund.	Little change in practice
Ability to generate income	Schools can raise income (such as lettings) within government / LA guidance.	Charitable company – can raise income (subject to it being within the Object of the company which is broadly education and ancillary services) and accept donations. Can establish trading subsidiary.	No change in practice.
Borrowing permissions	Can not borrow (except from LA if a deficit is approved).	Only with Secretary of State consent. May be eligible for cash advance of General Annual Grant from ESFA if required (repayment without interest).	No change in practice.

Carry forward permissions	Can carry forward surplus. LA able to propose claw-back if considered excessive but provision rarely used.	ESFA GAG funding: subject to any limit in Academy Trust Handbook Other funds: No limit.	No change in practice.
Student charging	Only in accordance with provisions of 449 – 462 of Education Act 1996.	Funding Agreement required to act as if a maintained school (MFA clause 2.15 an 2.16)	
Non Domestic Rates	School receives budget allowance from LA equal to the cost.	Charitable trust 80% reduction; cost of remaining 20% incurred refunded by ESFA (in addition to the GAG funding).	No impact.
Insurance	Can insure via LA, via DfE's Risk Protection Arrangement (RPA) or commercially	Default opt-in to DfE's Risk Protection Arrangement (RPA) (with additional specialist insurance if required) or can commercially procure if better value.	No change or better off.
VAT	Reclaim in arrears.	Reclaim in arrears.	
Surplus at conversion	Transferred to MAT		
Financial accounts	Form part of the overall LA accounts. Management Accounts at school level.	In accordance with Charity SORP and ESFA Academy Accounts Direction. Management accounts at school level.	Company / charity accounting requirements.
Audit requirements	LA sets programme for internal audit reviews across all maintained schools. No external audit.	External audit of accounts. Internal Audit function required (options on how to discharge). Audit function must be clearly identified within governance structure (Audit Committee preferred but only required above a size threshold)	Additional audit requirements.
<b>Land and buildings</b>			
Ownership	Freehold owned by local authority	Freehold retained by local authority. Land leased to academy trust for 125 years at peppercorn rent.	
Permissions required for	Subject to legislation about disposal / certain transactions. Local authority would be the	ESFA permission required for certain transactions (i.e. disposal, granting a lease /	Some greater operational control, but still subject to local authority and DfE approvals for major change.



changes / disposals	body seeking DfE approval (where that is required)	license), which the academy trust would apply for. May require local authority permission as freeholder and / or through the lease.	
Charging / mortgaging	Not allowed.	Not allowed.	
<b>Other</b>			
Provision of information	Various requires to publish via legislation about governance, curriculum, outcomes, Ofsted report etc.	Various requirements to publish information (via legislation and / or Funding Agreement) about governance, curriculum, outcomes, Ofsted report etc.	
Complaints	Policy / process must comply with section 29 of Education Act 2002	Policy / process must comply with Independent School regulations.	Little if any impact in practice.