

FAQs - Proposed academy conversion

Last update: 12th July 2018

What led to the original decision to consult on Academisation with REAch2?

It has become clear over a number of years that, despite robust financial management of the school's budget, Handsworth cannot continue to operate a deficit budget. Governors have been working diligently to secure the future of our school for years to come and have been considering a number of options, including joining a Multi Academy Trust (MAT).

Governors took the difficult but considered decision to consult with stakeholders on the proposed academisation with REAch2 after exploring a number of options, including local MATs and federations. Despite making a number of approaches to local schools, we were not able to find a suitable school who was not already an academy or part of a federation and were willing to engage with us regarding potential academisation as a group. Governors also explored the option of an all-through MAT with a local secondary school.

Over the past few years, the DfE has changed the rules for becoming an Academy, not allowing schools to convert as single academies and only allowing much larger groups of schools, which effectively removed a number of options for Handsworth.

We outlined that REAch2 has a shared ethos with Handsworth and - unlike some other MATs - does not change terms and conditions for staff, admissions criteria or term dates. Joining an Academy Trust would also provide Handsworth the opportunity to generate income through school-to-school support (we have raised £130,000 over the last 3 years through school-to-school support). This is a practice that has been of benefit, not just financially, but has also helped us to develop best practice in a number of areas at Handsworth including developing our offer for Pupil Premium pupils. Now that schools in special measures are obliged to academise, this income stream is no longer available to us if we remain maintained by the Local Authority because Handsworth could not support any schools in special measures, unless we too were an academy.

Joining REAch2 presents the chance for us to join a multi academy trust, which specialises in primary education and encourages collaboration throughout the family of schools within in it. It would give us the opportunity to support schools in special measures and, in doing so, generate income for Handsworth.

Do REAch2 recognise all the Unions?

REAch2 engage with and meet will the Unions on a termly basis. REAch2 policies are agreed by the Unions.

We pride ourselves on being an inclusive, creative school. Will the admissions policy change?

No. The admissions policy will remain the same and will be administered by Local Authority in exactly the same way as it is currently. Acadmisation with REAch2 would not impact the admissions policy.

What is the value of Handsworth's reserves and other assets and will they be in the control of REAch2?

During the last financial year, ending 31st March 2018, Handsworth had an income of just under £2.2 million and spent just over £2.3 million running the school. In order to maintain the school's high standards under the current national budgetary pressures on schools, we had to use over £135,000 of these reserves and that left us with revenue reserves of £117,000. At the end of the current financial year, 31st March 2019, we forecast that our reserves will have reduced to approximately £70,000. This equates to less than two weeks' running costs for the school.

If the school is sponsored by REAch2 then the assets of the school transfer from Local Authority control to REAch2 control. The assets of the school will be accounted for by REAch2 as a 'restricted fund' and cannot be used for any other purpose other than for Handsworth School. The way this arrangement works and is in place with all other REAch2 schools can be clearly seen in REAch2's financial statements, which are available on their website.

Where will our current reserves go? Why can't we use that money now?

The School Business Manager has completed a 5-year forecasting exercise to review how much longer our reserves will last based on our projected income and expenditure. If nothing changes we will be in a significant deficit position by 2021 and we will need to further review our expenditure levels to stay within our increasingly stretched budget.

Whilst we make every effort to plan our expenditure well, we need reserves for unplanned expenditure and to take advantage of other opportunities which arise. For example, over the last (very cold) winter we spent over £6,000 repairing the school boiler, and also used some reserves to make improvements to the school including new flooring and security arrangements which were matched funded by the local authority.

As well as managing the current year budget, good financial management is also about looking ahead and making calculated judgements on what is in the best longer term interests of the school community so that we can continue to support pupils to the best of our ability in the coming years.

What assurances have been given that Handsworth will continue to benefit or draw down on the reserves?

We discussed this point in our initial conversations with ReaCH2 and have received their assurances that any remaining reserves at the point of conversion will only be

able to be drawn down by Handsworth. This assurance is backed up by their published and audited reserves policy in their financial statements.

What do we know about ReaCH2's finances?

ReaCH2 produce annual accounts which are audited by KPMG. Their last set of available accounts relates to the period ending 31 August 2017. At the end of that financial year ReaCH2 had reserves which break down as follows:

	£'000 (millions)
Fixed assets (mainly school buildings)	£248,995
Restricted funds (relating to specific schools within the trust)	£4,690
Restricted funds (related to pension deficits - see below)	(£31,242)
Free reserves (which can be spent on the charitable objectives of the charity)	£2,960
TOTAL RESERVES	£225,403

Of the total reserves of £225million it is worth noting that the majority of this relates to school buildings and other fixed assets, and it is the opinion of ReaCH2 and their auditors that the free reserves (£2.9million) are of an adequate size to operate effectively.

When ReaCH2 take on a school, as well as taking on the assets of the school, they also take on the liabilities, and this includes pension liabilities - the deficit on the balance sheet relates to the Local Government Pension Scheme (LGPS), which is a defined benefit pension scheme (the Teachers Pension Scheme (TPS) is an 'unfunded' scheme, and so is not valued in the same way. The contribution rates for these schemes are not set by ReaCH2, but by the pension schemes themselves. Were an academy to close, the deficit relating to that school would be met by the Department for Education and not by the ReaCH2 and the risk to Handsworth of managing this deficit is no different to whether the school is under local authority control or the control of ReaCH2

What is 'Top slicing' and how will this change if we convert to an Academy under REAch2?

'Top slicing' is an arrangement where Waltham Forest Council takes a cut of the income due to Handsworth in exchange for them agreeing to provide a number of services to the school.

REAch2 are currently taking a top slice of 5.5% from their schools (as published in their audited accounts). The Academy Trust secures value for money and consistent quality of support services through a combination of centrally procured and provided services. Services that are centrally procured by the Academy Trust, but paid for directly by the academies are legal services, internal audit, external audit. Services that are directly provided or procured by the Academy Trust and paid for by the Trust, on behalf of its academies include: school leadership development and training, business and administration, policy development, school and staff performance management, risk management, governance support and training, estates strategic management and capital improvement, media and publicity management, crisis management and health and safety.

Do we maintain decisions over what we buy and from which supplier?

It would depend on what the school is purchasing as to whether the school makes the purchasing decision or whether a purchase is centrally procured by REAch2. One of the benefits of joining a large Academy Trust is the economies of scale this affords and the cost savings that can be made by purchasing centrally with other schools.

What is an academy and what does it mean for us?

Academies are independent, state-funded schools, which receive their funding directly from central government, rather than through a local authority. The day-to-day running of the school is with the head teacher or principal, but they are overseen by individual charitable bodies called academy trusts and may be part of an academy chain. These trusts and chains provide advice, support, expertise and a strategic overview.

Why should Handsworth become an academy?

The School is considering converting voluntarily and for positive reasons - not because of any pressure to do so. The Governing Body believes that converting to academy status with REAch2 would bring greater opportunities for promotion and for continuing professional development for all staff at Handsworth. We will have the opportunity to share best practice with other schools. We will be able to maintain control over school's destiny and will be able to access better quality support than we currently receive. REAch2 will provide monitoring visits, Ofsted support, networking meetings, school visits and curriculum input. The governors are also confident that economies of scale can be achieved through joining REAch2, for example, better purchasing power for resources.

By choosing to convert now, and by choosing the academy we want to join, we remain in control. We firmly believe that even under a new government, academies are here for the long term, this policy has advanced considerably. The local authority has been stretched to capacity, and we no longer receive the responsive service that we need to run the school.

Would staff pay and conditions change?

No. Pay and conditions will remain the same, and staff are protected by the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). Staff joining the school after academisation can be employed on different pay and conditions, but it is Handsworth's intention that the same conditions of service will apply. REAch2 MAT continue to honour the national pay and conditions framework for teachers as set out in the National Joint Council Support Staff Pay and Conditions (green book) and the School Teachers' Pay and Conditions documents. REAch2 have not changed Terms and Conditions for staff after the end of TUPE period.

The 1% national pay increase for teachers is a government directive, set by the Treasury. We have no influence over that. We intend to retain the same salary structure for our staff.

Can Handsworth be forced to become an academy?

No. In its white paper, Educational Excellence Everywhere, the Government stated that every school should be an academy or part of a Multi Academy Trust by 2022, but the plans to legislate to enforce this were dropped in May 2016. Schools judged as inadequate or requiring improvement are forced to join another MAT, however, this does not apply to Handsworth. Our last Ofsted inspection rating was 'good', we consider joining an academy as a way to maintain or improve and build on that rating.

Could staff jobs be at risk?

No. There are no plans for restructuring or for redundancies linked to academisation.

Would we continue to follow the National Curriculum?

Broadly, yes, although we do have scope to tailor our ways of teaching to suit our pupils. All schools are inspected by Ofsted, regardless of academy status. We will continue to explore other ways of teaching and learning that have proved successful in other schools. The chance to share our own best practice and learn from other is one of the benefits of joining a trust.

Would terms dates and the length of holidays change?

Academies are free to set their own term dates, provided they are consistent with the staff Terms of Employment, however, we intend to keep term dates in line with Waltham Forest.

What is the timescale for conversion?

If Handsworth's application is approved, we would hope to convert to academy status some time during the Spring Term 2019.

Is there a formal opportunity for staff to put forward views about academisation?

Yes. It is a legal requirement that the Governing Body consult with parents and staff and consider their views.

Will there be any changes to the location of the school, the uniform, the name or the logo?

There are no intentions to change the location, the site or the identity of the school. Schools within the REAch2 Academy trust have retained their own identities, there have been very few presentational changes. The school will still be called Handsworth Primary and the uniform will not change as a result of academisation.

Will we be asked to take on children from other boroughs?

No, our admissions policy does not alter when we become an academy. The catchment area still applies, as does the way children with special needs are referred to us by the Local Authority.

Will Friends of Handsworth (FOH) maintain the same relationship with the school?

Yes, we appreciate the money raised by FOH, and rely on the additional funds this provides us with. The activities organised by FOH have been increasingly interesting and popular, and we want to maintain that. Funds raised by FOH are for our school only, and will not be realised by the Trust.

Will there be interaction between other schools in the Trust?

One of the benefits of joining a multi academy trust is the opportunities this provides to learn and develop alongside other well performing schools. We will join a network of schools and have access to shared experiences, methods and resources. Handsworth's consistently good Ofsted rating has been evidenced and we have the chance to share our knowledge with other schools too, enhancing our reputation.

Will the Governing Body remain the same?

Yes, REAch2 believe in minimal intervention where a school is performing well. For a short period of time, whilst we convert, REAch2 governors will be involved to ensure a smooth transition and resolve any issues. After that, the current governing body will resume governance. The last Ofsted report evidenced Handsworth's governing body as being 'highly effective' and therefore we have no plans to change our local governance.

What is the ethos of REAch2 and how is that different to the ethos of Handsworth?

The Governing Body believes that REAch2's values align with our own ethos at Handsworth. Our current vision states that we believe in providing exceptional opportunities, delivering an innovative approach to teaching and learning, promoting a culture of resilience, and celebrating the unique gifts of each child so that they are confident, curious and ambitious.

REAch2 quotes its cornerstone as 'a solid, unshakeable foundation, defined by exceptional teaching experiences and shared Touchstone values of learning, leadership, enjoyment, inclusion, inspiration, responsibility and integrity'.

The REAch 2 website contains links to all the other schools within the Trust. Each has retained its own identity, uniform, vision- and all are very different in nature. Handsworth will remain individual and parents will be able to receive class information in the usual way through the website. REAch 2 does not dictate over website content.

I have a child with special needs. What does that mean for them?

The Equality Act applies to academies, as it does to all other classifications of schools - there should not be any direct or indirect discrimination against children with special needs; reasonable adjustments should be made and due regard should be given to eliminate discrimination, promote equality of opportunity and foster good relationships between disabled and non-disabled children.

The Local Authority retains its responsibility to provide for children with special needs. Education, Health and Care Plans are still the legal responsibility of the Local Authority and their duties remain the same. This means that special educational provisions will continue to be made in conjunction with London Borough of Waltham Forest

Will there be consistency in class teachers throughout the year?

The management of the school remains with the head teacher and senior staff, with support from the Academy Trust. The same principles apply as previously, Handsworth is committed to offering pupils consistent and professional teaching.

What will happen to pensions?

Those who are in the Local Government Pension Scheme will stay in that pension scheme, with no changes to their benefits. The status of the school will change to an employer within the scheme and the government will still guarantee the pension, should the school fold.