

Cabinet - 27 February 2007

Children's Services Scrutiny Committee – 8 March 2007

PROPOSAL TO DEVELOP AN ACADEMY IN THE SOUTH EAST OF THE COUNTY

Executive Summary

The Local Authority, Castledown Foundation School, the DfES and Wellington College, Crowthorne, Berkshire, have jointly produced an Expression of Interest to establish an Academy in the South East of the County. Academies are independent schools sponsored and managed by independent sponsors yet their annual revenue funding comes entirely from the Government at a level comparable to other local schools. Wellington College is sponsoring Wiltshire's Academy and it is to be known as Wellesley Academy.

Proposal

To close Castledown Foundation School at Ludgershall and re-open it as an Academy for 1200 pupils (including 300 in the sixth form). The Academy will have Business and Enterprise Specialist status and Languages Specialist status and could open in 2009. Provision for 100 boarders (including Children Looked After) is being explored. Wellesley Academy will have strong links with the local community, a Combined Cadet Force and would offer a wide range of out of school activities.

Reasons for Proposals

To improve educational provision in the South East part of Wiltshire, particularly to meet the needs of 14-19 pupils. To re-build a secondary school in a state of the art, latest technology building to enable all pupils to fulfil their potential.

Carolyn Godfrey, Director, Department for Children and Education

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Purpose of Report

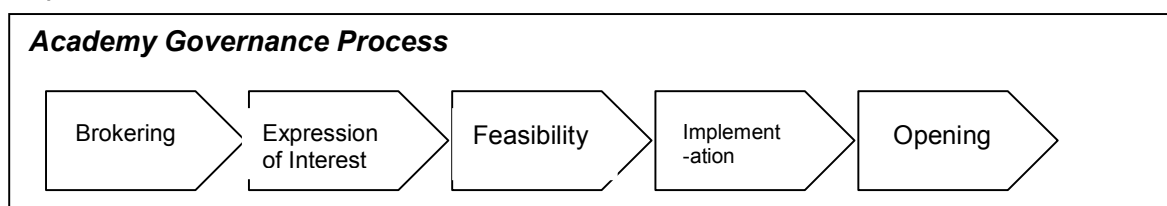
1. This report sets out the background to the proposal to build an Academy to replace Castledown Secondary School at Ludgershall. As this is the first Academy proposal in Wiltshire the process of establishing an Academy is set out below. The draft Expression of Interest to be submitted to the Department for Education and Skills (DfES) by 26 February 2007 is included as Appendix 2.

Background

2. The DfES first approached the Local Authority (LA) in the autumn of 2003 with a suggestion for one Academy made up of students from Avon Valley (Community) College at Durrington and Castledown Secondary (Foundation) School at Ludgershall. At that time the attainment of pupils in both schools was low. Castledown was in Special Measures between September 2003 and June 2005 and Avon Valley College, formerly known as Upper Avon, had also been in Special Measures between September 2000 and February 2002. Consequently both schools were struggling to retain student numbers. The DfES was unable to secure a suitable sponsor at the time so the initiative was put on hold.
3. Academies are a type of independent state school, sponsored and managed by independent sponsors and their annual revenue funding comes entirely from the Government at a level comparable to other local schools. No fees are paid by parents. Each Academy is unique and so is its sponsor. Until 2006, sponsors needed to provide £2 million towards capital costs in order to draw down £18 million from the DfES to build or refurbish a secondary school. Now a sponsor has to provide a £2 million charitable contribution to establish an endowment fund for the Academy from which annual revenue income is drawn. This endowment is used over the lifetime of the Academy to benefit the students and the community to counter the educational impact of disadvantage. This important change to the academies' programme was to prevent bricks and mortar discussions dominating and to concentrate on the vision to raise aspirations in community areas. More sponsors have emerged due to this changed policy.
4. Academies were introduced in March 2000 as a way to achieve transformational change in educational standards in the most deprived inner city areas and as a development of successful City Technology Colleges. The principle behind the academies' programme is to raise standards in state of the art, latest technology, buildings in areas where schools struggle to enable pupils to reach their potential. Where there is low attainment and schools in Special Measures (failed

Ofsted inspection), pupils are given a Fresh Start. Academies focus on raising standards with a commitment to social equity and equal opportunities. They provide the very best opportunities for all young people to achieve the five Every Child Matters outcomes of being healthy, staying safe, enjoying and achieving, making a positive contribution and achieving economic well-being.

5. Academies are normally located in areas of disadvantage and where schools are achieving less than 25% 5 A*-C at GCSE over the last 3 years. Castledown, in 2006, achieved 53.7% 5 A*-C at GCSE (2006 National figure is 58.5%). Academies cater for all abilities of pupils and they have independent status. They are state funded, sponsor driven, multi specialist schools. Academies are subject to inspection by Ofsted but can be innovative with the curriculum, buildings, governance, structure of the school year and day, teaching and learning. Academies are not selective, City Technology Colleges or free to act as they wish on admissions, exclusions or Special Educational Needs (SEN) legislation. The DfES has a target of developing 200 academies by 2010 and they are already exceeding this target. There are 46 academies already open although not all schools are yet in new buildings and there will be at least 60 academies in London by 2008.
6. Academies are attractive places for parents to choose to send their children. The average increase in GCSE results between 2004 and 2005 was three times the national average increase. In 2006, Academies reported striking improvements at KS3. English was up by 8%, mathematics up by 10% and science up by 13%. Academy results show some of the most rapid rates of improvement ever seen nationally. One academy receives 1,200 applications for 180 Year 7 places annually. Another academy found that attendance at parents' evening went from 40% to 80% in the first year that the academy opened. In 2003, PricewaterhouseCooper (PwC) was commissioned by the DfES to conduct a five year evaluation of the academies' initiative in terms of their contribution to educational standards. The Key Findings from the latest report in 2006 are in **Appendix 1**. Two broad types of sponsorship and governance models are emerging for academies. The first is where a sponsor is responsible for only one academy and where the local Governing Body is responsible for the strategic and operational decision making. These academies tend to be more innovative. The second type is where a sponsor supports a number of academies and the strategic governance is collective and day to day decisions only are taken locally. A more traditional model is emerging from this type, where there is less collaboration with other local schools. Wiltshire's Academy proposal is for the first type with a single sponsor.
7. The process of establishing an Academy's governance model consists of five key phases:



8. During the Brokering Phase the DfES works with the Sponsor and the LA to develop the vision for an Academy. During the Expression of Interest (EoI) Phase the partners agree the details of the EoI, which takes about six months. The EoI outlines the Sponsor's vision for the Academy including information on its ethos, specialism/s, proposed size, and age range. The EoI needs to ensure that the needs of the local community are reflected in the plans for the Academy and that plans are in line with the LA's educational vision. When the EoI is approved funds are released to begin exploring the feasibility of the project.
9. With the support of a project team the Feasibility Phase takes about 9 months. This is when plans for the management and operation of the Academy are explored. The Sponsor is responsible for the preparation of the Funding Agreement, which is a legally binding document that sets out the boundaries for the funding and operation of the Academy. The sponsor will receive funding to appoint a project manager. An investment strategy is prepared and a Deed of Gift detailing the terms of the financial donation to the Academy Trust and the way in which this investment is to be used is established. When the Funding Agreement is signed this marks a joint commitment between the Academy Trust and the Secretary of State to establish the Academy. Also during this feasibility phase the Sponsor and LA work together via a design group on the development of the Academy's building designs. The initial design work is funded by the LA drawing down funds from the overall capital funding for the building from the DfES.
10. The Implementation Phase takes between 12 and 15 months. In this phase preparations are made for the opening of the Academy, including finalising leadership and staff appointments, agreeing the curriculum, developing marketing and collaboration activities and developing a school improvement plan. Early in this phase, the Academy's Principal Designate is appointed who is responsible for the start up activities. The level of start up grant and revenue budget from the DfES is established at this stage. At the end of this phase the DfES signs off the educational plans and approves the Academy for opening as an institution. In the final phase of Opening the Academy, the Sponsor provides ongoing challenge and support to establish the vision and deliver sustainable improvements in educational standards.
11. The Academies building programme is integrated closely into Building Schools for the Future (BSF). This is the government's major initiative to renew all secondary school buildings in England and Wales. Wiltshire is part of the final BSF wave of development in 2016. During the BSF programme, LAs are expected to work with a Private Sector Partner (PSP) to set up a Local Education Partnership (LEP) as the delivery mechanism for the redevelopment programme in the County. The PSP provides the construction expertise and carries the risk for design defects and budget overruns.
12. The proposed Academy for Wiltshire is pre our BSF wave so it will be delivered using the Partnership for Schools (PfS) National Framework. PfS is a non-Departmental Public Body responsible for the BSF programme and for procuring all Academy buildings. In addition, the DfES provides 10 days support to LAs

from the Commission for Architecture and the Built Environment (CABE) to advise on best practice in the design of the buildings. The PfS National Framework includes 6/7 Design and Build contractors with a local supply chain in the South West. Once the EoI is approved, a Design Group is set up by the LA including the Sponsor, Academy Trust and Principal Designate, when appointed. The LA is the construction client for the Academy. The Design Group works with the LA to select 2 potential private sector bidders from the Framework and works with them separately during the tender stage. The Design Group and the LA select the preferred contractor. The LA submits the Final Business Case (FBC) to the DfES so that the contract is awarded.

13. Following the FBC approval the construction phase will start. The LA enters into a contractual relationship with the construction partner, as the client, for the building project. Sponsors have a limited role during the construction of the Academy but will be kept informed through regular meetings of the Design Group. The construction phase ends with the LA and the Academy Trust jointly signing off the building works as complete in accordance with their contract, and the land and assets being transferred to the Trust. The opening of an Academy as an institution and its transition to new or refurbished buildings may take place independently of one another. Where new buildings are required these are usually provided within 3 years of the Academy opening.
14. In March 2006, the DfES approached the LA again saying that a Sponsor had been found to establish an Academy. Wellington College, an independent (mainly) boarding school, in Crowthorne, Berkshire, for boys and girls is Wiltshire Academy's potential Sponsor. Nearby is Sandhurst Military College. Anthony Seldon the new Master (Headteacher) of Wellington College is keen to break down the barriers between the independent and maintained sectors. He and his Governors also want to return the College to its original charitable purposes, which were to educate the sons of men who had died in the service of their country. Wellington College has only admitted girls in the last couple of years. There is a genuine desire to link with an area that shares a military presence.
15. The DfES asked the LA to consider in its plans for an Academy: provision for children to board, a focus on armed and other uniformed cadet activities and they were determined to establish the first rural Academy. Meetings between March and December 2006 were between the DfES, Wellington College as the potential Sponsor, Castledown, Avon Valley College schools and the LA with a view to establishing a single Academy made up of pupils from both schools but on two sites, one in Durrington and the other in Ludgershall. This was an attempt to ensure educational provision for both communities although there were reservations about the feasibility of this arrangement from the Sponsor, LA and the DfES.
16. It was clear from the outset that Castledown was keen to join the debate but Avon Valley College had a number of reservations. They were not convinced that a single headteacher overseeing the work of the Academy to connect both communities, some 11 miles apart, would be practical. They felt that their present buildings were acceptable with minor repair and could see little benefit to a new build. As a Sports College, Avon Valley College was concerned that they

would not be able to meet those specialist sports targets related to their local community from a site some 11 miles away. They had concerns that a single governing body could not represent the views of both communities. They had established good partnership working with other local schools on the Plain in relation to 14-19 provision and so the Governing Body decided that, for many reasons, they did not want to be part of the Academy explorations.

17. Since January 2007, the LA, the DfES, Wellington College and Castledown Foundation School have worked together to establish the Expression of Interest. This draft can be seen at Appendix 2. It establishes the vision for the Academy, key statistics and basic characteristics of Castledown and outlines the Academy proposal. We are planning for the Academy to open in 2009 although it will not be in new buildings at that time. The plan is for 6 forms of entry (180) pupils per year group with provision for 300 students in the sixth form. Total size 1,200 students. Where an Academy is developed from an existing school, such as in the case of Castledown, the Transfer of Undertakings Protection of Employment (TUPE) will apply. Wellington College wants to call the school the Wellesley Academy, after Arthur Wellesley, Duke of Wellington.
18. Detailed work on pupil numbers at Castledown between now and 2010 have shown 180 pupils per year group to be as accurate a forecast that we can make at this time. This takes into account pupils transferring from Castle Primary, Clarendon Junior, Zouch Primary and Collingbourne Primary as usual. It also allows for the return of 2RTR primary aged pupils, the building of new houses at Tidworth and Ludgershall and the return of 2 regiments of 500 families and 1 regiment of 200 families, which takes effect from 2008. We are aware of the numbers of pupils from the Castledown area that attend other local schools such as Pewsey Vale (47), Stonehenge (16) and Avon Valley College (33).
19. We know that a number of students that should go to Castledown are across the County border at schools in Andover, Hampshire and many go to Cricklade College in Andover for post 16 education. Proposals are underway from Hampshire to merge Cricklade College with Sparsholt College, Hampshire. These proposals will be considered in April 2007. The merger document states that the College estate in Cricklade is of poor quality due to longstanding financial issues. There is insufficient provision for young learners at Levels 1 and 2. Rationale for the merger include; performance of Year 11 pupils at Key Stage 4, the narrow range of post 16 vocational provision at Levels 1 and 2, low aspirations, post 16 vocational participation rates below the national average, the size of the NEET (Not in Education, Employment and Training), an under-developed apprenticeship offer and unsatisfactory academic Level 3 success rates for 16-18 year olds. As there is currently no sixth form provision at Castledown and considering the current level of provision at Cricklade College; provision for local young people post 16 is inadequate. A substantial 6th Form at the proposed Academy in Wiltshire could help to meet students' needs more fully.
20. Academies are not restricted to just one or two types of specialist status. Castledown currently does not have a Specialist Status category. Within the

Academy proposal it is seeking Business and Enterprise and Wellington College as the Sponsor is seeking Languages Specialist Status.

Main Considerations for the Council

21. An in principle agreement to support the Academy proposal was minuted by Castledown School at its Governing Body meeting on 18 October 2006, subject to the following issues:
- a) That concerns over the level of local representation from the community on the GB is taken into account.
 - b) That the transfer of land for Castledown from the ownership of the GB to Wellington College includes a covenant stating that the site must be used for secondary education in perpetuity.
 - c) That if Academy status is pursued, staff will be kept informed of developments on a regular basis in the lead up to new status and are transferred at the time of the change on TUPE terms.
 - d) That the number of Looked After Children boarding at the school should not exceed 20 and that no more than 6 such students should be in a single year group at any time.
 - e) That continued community use of the sports centre be maintained and greater community use of the school site be offered (Lifelong Learning)
 - f) Most importantly, what is proposed in the EoI must be more beneficial for the future students of the Tidworth Community Area than the school could provide.

The GB will make a final decision on Academy status when it has seen the draft EoI, prior to it being submitted to the DfES.

(Please note that the DfES advises that it is not lawful to limit the number of CLA as in d) above)

Risk Assessment

22. Risks are related to school organisation planning for other local schools in the area. Academies will be part of the Local Authority's 'family of schools' sharing their facilities and expertise with other schools and the wider community. However, some secondary schools are already vulnerable due to the small size of their numbers on roll.

Local Schools' Number on Roll – Forecasts for September 2008

Castledown	532 (September 2006 NOR was 446)
Pewsey Vale	382 (September 2006 NOR was 389)
Stonehenge	779 (September 2006 NOR was 770)
Avon Valley College	631 (September 2006 NOR was 645)

The BSF programme for secondary schools in Wiltshire for 2016 will need to rationalise pupil numbers prior to any commitments to rebuilding/refurbishments.

23. There is a risk that the Sponsor is unable to secure the finances required. This is a matter for the DfES in discussion with the Sponsor as the LA is not involved in these negotiations.
24. Section 4.3 of the EoI raises a number of site issues. The LA will need to meet the cost of any off-site works that may be associated with the development of the Academy. This cost will not be known until the feasibility stage has been completed; it will then need to be built into the Council's capital programme together with an allowance for meeting any cost over-runs.
25. If the new building is to be positioned on the Greenfield space of Castledown School then the 'decant costs' associated with a phased demotion and rebuild, and the impact on the operation of school during this period may be significant and will need to be built into the project plan.
26. The County Council is currently managing a large capital programme with new buildings and road projects. The addition of the Academy to this programme may create capacity issues in several departments, although it is acknowledged that the DfES will release funds for project management.
27. Project management and off-site costs, together with the overall level of DfES funding, will be assessed during the feasibility period. This analysis will be critical in resolving the risks identified above, prior to the County Council entering into any legally binding agreement. It should be noted that the EoI, whilst indicating a strong commitment on behalf of the County Council, is not a legally binding document.

Financial Implications

28. The funding to build an Academy comes from the DfES and the Sponsor. Most costs are contained within the allocation, with the exception highlighted in paragraph 24 above.
29. The revenue costs of an academy are funded directly by the DfES. The pupils would not be counted within the Dedicated Schools Grant (DSG) settlement for the authority. In the year in which the academy opens an adjustment is made to the January pupil count in respect of the pupil numbers for the predecessor school(s). This reduces the amount of grant received by the authority by this number of pupils multiplied by the unit of resource for DSG (£3,553.70 in 2007/08). The adjustment takes out the whole unit of resource despite the fact that the LA retains responsibility for support to some pupils within the school, for example, SEN funding for named pupils. The rationale behind removing the full amount is that, in the DfES' view, the unit costs of the predecessor schools would have been higher than average because of the challenges it had been facing. In the case of Castledown school this can be demonstrated to some extent by the fact that it is a small secondary school and also receives additional funding through the Wiltshire formula to recognize the additional costs associated with being a service school.

30. In addition to the formal transfer of funds in respect of the predecessor schools, the authority will also lose DSG in respect of any pupils who attend the academy in place of other Wiltshire schools, in the same way as it would for any other overall reduction in pupil numbers. This will be more difficult to predict in estimations of DSG in future years.

Recommendation

31. That Cabinet notes the content of this paper and approves the Expression of Interest subject to clarity and affordability related to any off site costs, in order that the Academy proposal for the South East of the County moves into the Feasibility Stage. The next stage will be an update to the School Organisation Committee (SOC) and eventual closure of Castledown Secondary School and approval for the opening of the Academy. The SOC is due to be abolished in May 2007 in line with the Education & Inspection Act 2006 and this duty will transfer to the Local Authority.

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