



Education Committee

Oral evidence: [Academies and free schools](#), HC 258 Wednesday 3 September 2014

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Written evidence from witnesses:

- [Church of England \(AFS0080\)](#)
- [David Wolfe QC \(AFS0107\)](#)
- [Calderdale Borough Council \(AFS0126\)](#)

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Members present: Mr Graham Stuart (Chair); Alex Cunningham; Bill Esterson; Pat Glass; Siobhain McDonagh; Ian Mearns; Caroline Nokes; Mr Dominic Raab; Mr David Ward; Craig Whittaker

Questions 904-1068

Witnesses: **Rt Rev John Pritchard**, Bishop of Oxford and Chair of the Church of England's Board of Education, **Sir Daniel Moynihan**, Chief Executive Officer, Harris Federation, **David Wolfe QC**, Matrix Chambers and **Vincent McDonnell**, Managing Director of Prospects, gave evidence.

Q904 Chair: Good morning, gentlemen, and welcome to this session of the Education Committee looking at academies and free schools. Ofsted has said that AET has low expectations and is “leaving schools to flounder”, I quote, that E-ACT provides poor quality teaching, intervention and support and that an overwhelming proportion of pupils in The Kennal Academies Trust are, and I quote, “not receiving a good education”. In light of that, are the days of the large academy chain numbered?

Rt Rev John Pritchard: I suppose I could speak as not an academy chain, but as the provider of the largest number of academies. There are nearly 500 academies in the Church of England altogether. I do not think the days of the large groupings of academies are numbered, but I think we do have a particular place in that field that is not perhaps always understood as much as we would hope from the DfE, but I am speaking as a different kind of provider of academies.

Q905 Chair: How do the schools in your diocese fare?

Rt Rev John Pritchard: In the Diocese of Oxford well, apart from one that we have a particular issue with. We have a diocesan multi-academy trust that has six to 10 academies in at the moment and it will go on to 20 by the end of the year probably. We have 280 schools altogether, but of course for the Church of England a lot of its schools are smaller schools and so we have the majority of small, rural schools. They are not as academised; it is not as suitable, because of course you need quite a lot of schools to join together to become viable if they are small schools. We are growing quite fast in terms of our own support in the Diocese of Oxford—and I am just speaking for that one out of 41 dioceses now. We have had 12 staff centrally; we will grow to about 30, so there is a big expansion going on in many dioceses.

Q906 Chair: With so many academy chains being poor, what is the explanation for that?

Sir Daniel Moynihan: My view, Chairman, on your previous question is that some academy chains have grown very quickly, and grown too quickly, and that growth has not been controlled. If it were a business growing at an equally fast rate, you might expect similar problems, so I think it is less an issue about academies and more an issue about sensible, steady growth that is well paced to match your resources to improve the schools that you have.

Q907 Chair: What have been the drivers of that nonsensical, non-well-considered growth?

Sir Daniel Moynihan: It is very difficult for me to say. We have grown in a measured way and taken on schools that we feel we can support. We are geographically proximate in London and the fact that our schools are in a similar geographical area and can work together and support each other has been a key feature for us.

Q908 Chair: What do you do when the brokers coming knocking at your door?

Sir Daniel Moynihan: If we feel we have not got the resource to take on a school, then we are very clear that we cannot do it.

Q909 Chair: But others obviously have succumbed.

Sir Daniel Moynihan: It seems that way in terms of growth. There are some very big chains.

Q910 Chair: Have you felt under pressure at all to do what you considered inappropriate?

Sir Daniel Moynihan: No.

Q911 Chair: Vincent, why are so many chains failing? You are a case study of the opposite form of growth to that which Sir Daniel Moynihan has enjoyed at Harris.

Vincent McDonnell: Yes, indeed. Prospects Academies Trust has taken the decision to close and is currently working with the Department to close down the Trust within the current financial year.

Going to the second question you posed, I think there was a drive to see more schools become academies in a very fast period of time. The way the system used to work would encourage sponsors to look at opportunities around the country through brokers and we used to have, as many Members will be aware, a system where there was almost a beauty parade of potential sponsors travelling to look at opportunities to become a sponsor of an academy.

Q912 Chair: Your company was an £80 million turnover company concentrated in the education sector. It was successful; it must have had lots of choices before it and had to make strategic decisions.

Vincent McDonnell: Yes.

Q913 Chair: It must have been generally quite good to get there and yet you just went completely awry when it came to opening schools.

Vincent McDonnell: I do not think we went completely awry. The Trust is actually independent of the company; it is a free-standing charitable foundation. It did set out on a journey in partnership with the Department to establish academies. We had a business plan that we discussed with the Department. Regretfully, it has not materialised as either side would have expected or hoped for and the trustees have taken the decision that if we cannot deliver to the expected plan and standards that we thought, it is more appropriate that the Trust stops now rather than continue and find it becomes a debilitating experience.

Q914 Chair: If that is not going awry, I am not quite sure what is. Did you want to come in?

David Wolfe QC: Only to comment, Chair, on how the structures create the risk of the phenomenon you are describing. I have seen previous transcripts and you have heard evidence as to how the power of decision-making is all concentrated within the trust and no longer really with local governing bodies unless it is delegated down. That concentrates the power up to a large trust and then the trusts are not under any great direct scrutiny. They are not subject to direct observation from Ofsted and they are not subject to the sorts of public pressures that come from either democratic accountability or a wider public transparency. You put a lot of power into a central organisation that runs a lot of schools, so if it is going to go wrong it is going to go wrong on a big scale.

Q915 Chair: Yes, but the benefit being none the less that they can either close down or they can be capped, whereas it is quite hard to do that with a local authority no matter how woeful the schools it has under its aegis. Is that a fair point of view?

David Wolfe QC: That is not so good for the kids in that school, though, or the schools in question, is it?

Chair: Whoever is in charge, if they are failing the children it is a disaster.

Q916 Mr Ward: We are continuously told, and certainly we were told by the former Secretary of State, that new academies are subject to far more public accountability and scrutiny than maintained schools. You seem to disagree with that.

David Wolfe QC: I am not sure I understand the basis on which that is said. Their accountability is essentially contractual to the Secretary of State. They are not accountable to a local authority. They are not subject to those sorts of public pressures, so I am not sure the basis on which that is said. I think what is intended by that is that, “I, the Secretary of State, have a more direct lever into schools that are academies because of that contractual link”. Therefore, from the Secretary of State’s perspective, it may look more accountable, but in a wider sense I do not understand the basis on which that can be said.

Q917 Alex Cunningham: AET schools have failed miserably; there is a huge list of inadequate schools. I am looking at you, Mr McDonnell, because what I want to know is what lessons from your business plan failings—and I would like to know why that failure happened—are there for academy chains like AET going forward now? I do not think they are winding up. What lessons are there for them going forward, as they think about their future and the size of their particular organisation and how they manage themselves?

Vincent McDonnell: If I could just go back, as you would expect, I would defend our business view and our plan for setting up the Trust. To this point, I still do not believe the vision failed.

Alex Cunningham: Vision is different from the business plan though.

Vincent McDonnell: Well, the challenge of academies is it is a partnership, working with the Department in how you can deliver the vision you set out and articulate when you set up the trust. You are very reliant, as a sponsor, on the role of brokers, the agreement that is made within the Department to award—and that is the word that is used—you the sponsorship of the academy. As I said, context is everything. When AET was in its vanguard and at the forefront of how trusts were developing, it was seen that the strength was in the size, because, again, as everyone would know, an academy trust itself does not have any funding at its heart. There is no money attached to setting up a trust; you rely on revenue that is generated by having academies in the trust and that is a very important part of the equation. In those earliest days, I am sure the decisions that AET was taking were in order to be, in their view, the best possible trust they were. They needed size, they needed revenue and then they could create the system that they wanted to establish.

Q918 Alex Cunningham: Yes, but it is going wrong. Is that because of capacity issues or lack of skills? Why is it going wrong? Is it lack of support from the Government? Is it the lack of a middle tier that challenges appropriately academy chains?

Vincent McDonnell: I think the point Dan made, particularly about regionalisation, is a big part of it. AET, because of its early success, found itself with academies spread between Leeds and Essex and I am sure how you manage that infrastructure and how you create sufficient monitoring is part of the process that people are now learning from, hence the move to have more regionalisation and local groupings of academies.

Q919 Craig Whittaker: I just want to challenge what you said, Vincent, because listening from this side of the table it sounds as though you are blaming the DfE for your failure. You are absolutely right that it is the DfE that awards the contract for you to run the academy, but it is your vision and your decisions. Why did it go wrong?

Vincent McDonnell: If I implied there was failure that is inappropriate and I apologise for it. It went wrong because I feel we went into it with an expectation that there would be greater opportunity to access the establishment of academies in areas where we were working. Our view, our vision, was, as the Chair has indicated, we have contracted work around the country; we work for a number of local authorities. Our view, our vision, was that we could help establish academies in those areas where we had a presence, where we would know the community, but our opportunity to influence those decisions over where academies were to be established rested outside of our control.

Q920 Craig Whittaker: You could have easily said, “No, we do not want to do this one”.

Vincent McDonnell: Yes.

Craig Whittaker: But you didn’t

Vincent McDonnell: The Trust only has six academies in it at the moment, so it has not grown to those proportions. We did try to get on that journey.

Q921 Siobhain McDonagh: I was a bit worried about asking these questions this morning. I was reminded of Edwina Currie when she got up and asked Mrs Thatcher in Prime Minister’s Questions if she knew how lovely she looked today. I do not want to ask those sorts of questions, but I have to say, as an MP for a constituency in which I have always lived, I am incredibly grateful to the Harris Federation for taking over two of our schools and the great opportunities they have given to some of the most disadvantaged kids in my constituency. I do not do that to embarrass you, Sir Dan, but I just think it is very important to say that.

Research has found that sponsors with a clear mission are most effective at raising attainment for disadvantaged children. How can sponsored academies raise attainment for those kids?

Rt Rev John Pritchard: The Church of England was involved in the pre-2010 mark I academisation. We went for at least 40 academies there that fitted in with our

particular mission, which is to serve the community. Our experience is that if you have a clear, distinctive stance, you know what you are about, you are trying to offer a broad and generous education for all and you get in good quality leadership and good governance, and you are quite targeted, as you say, then you can produce the results. That has been our general experience; that if we have a distinctive offer then people respond to it. If that answers the question, I have done so.

Q922 Chair: But why are you more successful? I am looking at the list of potentially disadvantaged pupils achieving the expected level of good GCSEs and, whereas Harris is grouped with ARK and Mercers at the very top, at the very bottom we have the Diocese of Salisbury and only a little above that we have the Diocese of Oxford. It does not look as if you are doing a very good job of providing exactly what Siobhan is asking about, which is a decent education for the most disadvantaged children.

Rt Rev John Pritchard: Is that in terms of just our academies, because academies are not always the best answer?

Chair: Yes.

Rt Rev John Pritchard: We are concerned to find the best answer for each school. 58% of our secondary schools are academies and only 8% of our rural schools. We will go wherever we can to serve the community. Sometimes we will not be able to achieve a short-term response, a quick response, but we have been in the field for 200 years and, generally, overall, our results are better than schools that are community schools or non-church schools.

Q923 Chair: We are looking at academies today; that is the purpose of our inquiry. The focus of this session is around chains and you are, as you say, the biggest player in the field. You are Chair of the Church of England's Board of Education and your own diocese, in terms of the academies it has, does not seem to be doing a very good job for disadvantaged children.

Rt Rev John Pritchard: Thank you. We have work to do.

Sir Daniel Moynihan: Clearly, disadvantaged children are a big focus for Harris, because we target our schools in disadvantaged areas and that is what we see ourselves as being about. We were very pleased last year, just before the summer, the Sutton Trust published a report that said that Harris had the lowest gap between disadvantaged pupils and their peers of any academy group, a gap of 7.3%. The gap for academies is 18.8% and the gap for all schools is 25.7%. That report also pointed out that we use considerably fewer equivalent qualifications than the average for academies and the average for mainstream schools. The kinds of things we do are: the vast majority of schools that come to us are previously failing schools. We know there is a job to be done in improving the quality of teaching. That will benefit everybody, not just pupil premium children, but we have lots of programmes for coaching for high-quality teaching. We have a strong central team that will provide intensive support to these schools to coach up staff. For pupil premium children we provide a lot of data and tracking and, based on that, if they are not where they need to be, they will get individual tuition. Sometimes it will be one-to-one;

sometimes it will be in groups of three, two or three hours a week after school with a teacher, perhaps Teach First or sometimes with a graduate who is training to be a teacher. We will offer Saturday clubs where we will have those children attend. We will have them come in at half-terms and weekends and a whole plethora of different things. I do not think any of it is rocket science. It is just leaving no stone unturned.

Q924 Mr Ward: Why could you not do all of that as a non-academy? What is the difference?

Sir Daniel Moynihan: The difference is most of the schools that have joined us were failing and were failing for a significant period of time. Some, in fact, had been in and out of special measures two or three times. The local authorities could do any of this, there is no question, but the fact is, for the schools we have, for long periods of time they did not and would not. Therefore, the question is what do you do with those schools with lots of disadvantaged children? Do you say—and I know you are not suggesting this—“We will not have an academy solution because a local authority could do it”? When they demonstrably have failed to do it, somebody else needs to.

Q925 Siobhain McDonagh: That is entirely my experience in my constituency with the support of the Council. Is sponsored academy status equally appropriate for secondary and primary schools?

Rt Rev John Pritchard: I would say not. For secondary schools it is fine and the national figures of, as I say, around 60% for both church and non-church academies and 8% to 11% for rural schools tells the story. It is much more difficult for smaller schools and rural schools, in particular, to form academies, because you have to have a whole variety of schools—VA, VC, community, the whole lot—reaching the same conclusion at the same time. That is quite difficult to do, so there should be a range of solutions, but collaboration is crucial. Whether the collaboration is in the form of an academy or a MAT—multi-academy trust—is a secondary question, but what we do have to do is get smaller schools working together and they may then, as a second stage, move into academy.

Q926 Siobhain McDonagh: What happens where a council primary school just fails and keeps on failing its pupils?

Rt Rev John Pritchard: Then something has to be done and I am suggesting that collaboration is the key. The individual school cannot really survive in the current economy. It needs to have the services of a larger entity. In a diocese we can do that quite easily, because we have—and I think this is an important point about regionalisation—41 sort of mini units that we can work through and eight is not quite enough, I do not think, but it is important that we get schools working together in some form or other. Academy might be the right answer, but for small schools—that is, mostly rural schools—it is not as appropriate as it is for secondary.

Sir Daniel Moynihan: Harris’s view is that sponsored academy status is entirely appropriate for primary schools. We operate in London and we have taken on a number of

schools in special measures. There was the very controversial Downhills School in Haringey, which had had five “unsatisfactory” inspections and three occasions of special measures. We took that school on. Its results have improved in two years from 61% meeting the basic standard to 77% and it has gone from special measures to “good with outstanding features”. We took on Coleraine Park in Haringey, similarly in special measures. It was on 47%, so 53% of children failing to leave with what they needed for secondary school. This summer, 77% achieved that score and the school was judged to be “outstanding”, so we are achieving success with primary schools. The key is they are smaller. They are less economically viable, but if you group them in an area then it works.

Q927 Mr Raab: Can I just pick up on the point the Bishop made, very briefly, before I come on to my further questions? You talked about rural schools, small schools and then you have the factor of the primary schools. To what extent is it the size and the location rather than the model of the academy that is influencing your view? How do you separate cause and correlation?

Rt Rev John Pritchard: The crucial thing is the number of pupils we are dealing with. You can have 3,000-pupil secondary schools and so you have a very obvious capacity for a good multi-academy trust or a simple academy. If you have 30 schools with fewer than 200, 210 children in them then you do not have the capacity and you do not want to keep multiplying salaries on IT, HR, finance, etc.; you just need the right number.

Q928 Mr Raab: Sorry, my point is it is about scale rather than the model of the academy.

Rt Rev John Pritchard: Sure.

Q929 Caroline Nokes: My question is following up the same point about size versus age, really. I just wanted to ask Sir Daniel whether he would agree with me that of course the earlier you have intervention the earlier you put in place the measures that you were outlining about half-terms, after-schools, Saturdays, to make sure that children achieve the required standard, which is probably best done at primary.

Sir Daniel Moynihan: Yes, definitely.

Q930 Chair: Bishop, you talked about capacity and scale. The key point is leadership quality, is it not? It is a combination. You need the scale to be able to support the activities, but one of the great benefits of collaboration is if there is a shortage of outstanding leaders and collaboration allows that leadership to be shared, you have the ability to raise standards in the system without any increase in resource. It is a more strategic use of that resource, but, most importantly, the most important resource of all is leadership. Is that true?

Rt Rev John Pritchard: Absolutely. Leadership is quite crucial. What I am sometimes concerned about is the amount of time that a new head is given to turn a school around and we get into the Premier League manager syndrome where you are out if you have not got the results in nine months. Quality leaders need to be given more time to turn

these schools around, but leadership and good governance are the key things, rather than necessarily academisation.

Q931 Mr Raab: This is open to everyone. I just wondered if you could give me some comments on the nature of the feedback from the DfE that sponsors get on their performance, both qualitatively and quantitatively.

Vincent McDonnell: We have had a challenging relationship with the Department. As I say, there have only been six schools that became academies in the Trust. One of those academies joined us in November 2012, and was inspected 40 days later and put into special measures. We were already aware of the issues; we were working on them and had an action plan of our own, but by that academy, as it was then, being put into category we were then told we were going to be capped; no more academies could come into our what was then emerging small group. That was one of the main foundations why we then found it so difficult to grow and develop our vision. We were told that we needed to demonstrate the robustness of our approach, given this school had gone into category. We had some challenging meetings with the Department; we met the Minister, but we were then formally written to and told that the academy was going to be capped and we would not be allowed to take any more until that school, now academy, was moved forward. We have taken a lot of action: the head teacher recognised that he was not the one to take it forward and we helped move him on. There has been restructuring, and all the rest of that, but when you get into that level with the Department, it is quite hard to emerge from it and to give them the confidence you have the capacity to move forward.

Q932 Chair: Bishop, what was your quality of feedback from the DfE?

Rt Rev John Pritchard: Mixed. Sometimes it was very helpful, but we have, in the past, found it very difficult to get the information we have needed across the piece, but then of course there are 4,700 schools.

Chair: Such as?

Rt Rev John Pritchard: Just getting the measures, both of results but also of capacity and of Ofsted reports. No, Ofsted reports have been okay. There are a variety of inputs that we have lacked, but we kept at it.

Chair: Such as?

Rt Rev John Pritchard: You would have to ask my staff on that.

Q933 Chair: Okay. Sir Daniel.

Sir Daniel Moynihan: They have been fine. Their feedback is encouraging and supportive and they have been challenging, so with the introduction of the EBacc we have been regularly challenged to improve our EBacc. Lord Nash particularly has been good at that and we have enjoyed the challenge.

Q934 Mr Raab: Should academies be able to leave a chain if they think it is in their best interest? Sir Dan, do you want to have another go at that?

Sir Daniel Moynihan: Yes, thank you. It is a difficult question. If a failing school joins our group, we will normally find it has health and safety issues, the building has not been maintained. So, as well as poor leadership and poor standards everything about the school is normally wrong and we will find that we will have to invest the group's capital in that building to fix it and bring it up to speed really quickly and make a quick change for pupils. We also have a strong central team that will spend a lot of time coaching and mentoring and investing in improving the school. Eventually, that school will improve and, we hope, after two to three years it will be transformed. We then take in a new group of failing schools. We need the schools that are now strong to help us support the schools that are less strong and if it were the case that every time, or often, a school that had been fixed with significant effort then drifted off, we would lose the wherewithal to improve new failing schools. However, I can also understand, on the other hand, that it is possible that you might have a school that is now successful and it might feel the chain is not adding any value. I can see that scenario as well, so it is quite a difficult issue.

Q935 Mr Raab: What is the answer?

Sir Daniel Moynihan: It is a difficult one. There might need to be a mechanism for appeal or something like that, but just to have people opt out could leave a good chain denuded of its ability to improve other schools.

Q936 Mr Raab: Are there any other insights from other members of the panel?

David Wolfe QC: You are well aware, because I know you have had this evidence before, that the individual schools do not have any free-standing legal existence. Therefore, in a technical sense, the idea of a school leaving a chain does not exist, because everybody who works in a Harris school is a Harris employee. It is as bit like the local Tesco saying, "Can we become a Sainsbury's?" There would have to be a structural change. Whether what you are saying is a good idea or not is a separate question and I am not commenting on that, but in order to make that legally possible there would have to be a structural change.

Q937 Mr Raab: It is not beyond the wit of lawyers, I suspect, to find a model. The question is whether that autonomy should be allowed or whether the arguments for the greater good or the wider good and the mechanism of chains should trump it. I just wondered on the balance, as Sir Daniel very honestly expressed, whether anyone has any different views on that, on its desirability.

Rt Rev John Pritchard: It does not really apply in the same way to the Church of England, I have to say, because of the land trustees issue. There are trustees locally who hold the land and have to agree to what is happening in academisation and that has to go to the Diocesan Board of Education, so the diocese is the obvious sponsor. What we have to do is improve the quality of the diocesan work in supporting all our academies.

Vincent McDonnell: If an academy wanted to leave the membership, then by definition it is questioning what has gone on with the relationship with the trust in the first instance. Therefore, I would have thought that the first point of reference would be earlier questions about what is going on in the relationship. Is there a regional issue? Why is it they do not feel that they need to be part of that family of schools or academies any more. Is it because positively, as Sir Dan was saying, they are now strong and feel more robust or is it because they are not getting the—

Q938 Mr Raab: I think I understood Sir Daniel correctly. He will correct me if I am wrong, but, in principle, there ought to be some mechanism, subject to safeguards, which should allow it. Do you agree with that?

Vincent McDonnell: Yes.

Q939 Mr Raab: Could I just ask a more general question, again open to anyone, about insights as to the process if a sponsor terminates the funding agreement with an academy? I suppose that is the first part of a wider question: how much say would an academy have over the choice of a new sponsor? Does anyone have any insights or experience on that?

Vincent McDonnell: To talk directly about the experience we are going through at the minute, we have a transition group working with the Department that will care for our six academies. It will identify new sponsors to support the school, so the young people and the staff will move to a new trust. When we engaged in the first process of bringing those academies into our Trust we had full public consultation—parents, staff, everybody—so I am assuming that process will be repeated. I would hope that it is an open and democratic process. That said, there are instances where, for the best reasons, the legitimacy of the decision that has been taken or the appropriateness of who is making that decision may rest more in balance with the Department or with the community.

Q940 Mr Raab: Sir Daniel, do you have any comments on that one?

Sir Daniel Moynihan: The only experience we have had is on the other side, being asked to take schools. We have not been asked to take an academy that somebody else has sponsored. I imagine the process would be that brokers would probably identify one or two sponsors they feel who are the most appropriate and then there would be a small beauty contest.

If I may go back to your previous question, just reflecting a bit more on it, I might add that if academy chains were inspected and a chain was judged to be “good” or “outstanding”, my presumption would be that as long as a particular school was doing well it should not be allowed to leave.

Mr Raab: It should not?

Sir Daniel Moynihan: Yes, but if the chain was judged “requires improvement” or “unsatisfactory”, then clearly that is a different thing.

Q941 Mr Raab: Would that be a rebuttable presumption? If you have a good chain, but an excellent school that says, “Hey, I want even more autonomy, subject to the—

Chair: It would have to be inspected first in order to get a grade, of course.

Sir Daniel Moynihan: Of course it would, but the issue would be if you want chains to continue improving failing schools they need the resource, which are the good schools.

David Wolfe QC: If you think of schools as entities, even though they are not technically entities, you then get a disparity between a school that was succeeding and became a stand-alone converter and is free-running, and a school that becomes successful under the Harris chain and is kept a prisoner. That disparity would then need to be explained.

Mr Raab: A prisoner.

Q942 Mr Ward: On this issue of autonomy, you are saying it is something along the lines of, “Something must have been going wrong if they want to leave”, but we are told one of the driving successes about academies is through autonomy, by giving schools this autonomy. What you are describing, Sir Daniel, is quite the reverse. It is actually quite a rigid form of control of schools and it is a model that is driven by quality and it is the quality issue driven down to the other schools. These individual schools that are part of your group cannot turn around to you and say, “We want to be autonomous from you”.

Sir Daniel Moynihan: Well, they do feel autonomous. They feel far more autonomous than they did when they were part of the local authority. You talked about rigid control; we are not Sainsbury’s or Tesco where each school is identical. Our schools each have an individual feel, an individual ethos. Their heads run their schools and I would argue we have some of the best head teachers in the country and they would not stay with us if someone was telling them what to do. The turnover of our heads is very low.

Q943 Mr Ward: That does not sound very autonomous for that particular school that you were going to sack the head teacher of.

Sir Daniel Moynihan: Which school?

Q944 Mr Ward: The school that is within your group where you replaced the head teacher. How is that school being more autonomous if you can come along and sack that head teacher?

Sir Daniel Moynihan: That would be the same position as a local authority school or any other school. If a head teacher is underperforming, somebody ultimately would have the power to remove that person. There is nothing different about us in that.

David Wolfe QC: The difference is where the power lies. Whether it lies, as with a maintained school, with the governing body of the school, subject to local authority oversight, or whether it lies with the trust, subject to how much it chooses to delegate down to a local governing body. Academies are more autonomous than maintained schools in one sense, but the individual schools might well not be and the model will vary. Harris may be relatively autonomous down to the local governing body with lots of delegation; others are much less so.

Chair: I do not want to question Sir Dan, but bosses always think that everyone underneath them is terribly happy. It is quite hard to get that triangulated independently.

Q945 Pat Glass: Just a very brief question, Dan. The dilemma that you described of a successful school wishing to leave, is that not, surely, exactly the same for a local authority? They are unable to improve their collective schools without having a body of good schools to do it and yet their schools simply leave and go elsewhere if they think there is a better model for them.

Sir Daniel Moynihan: It would be true for those local authorities that actively engage their good schools to bring out school improvement in their other schools.

Q946 Pat Glass: In principle, though, it is the same.

Sir Daniel Moynihan: In principle. How we work is we use our good schools. Once they are fixed and doing well, their job is to support other new entrants. That is our model and because we are a single trust it is very clear that if you come into Harris that is how we do it. In principle, I agree with you. Whether it is true in some local authorities or others, I do not know.

Pat Glass: But special pleading on behalf of academy chains.

Q947 Ian Mearns: I have had a situation near to me—I won't name the school—of a school that wanted to leave an academy trust and was allowed to do so, but found that it could not also leave the very expensive service contracts that it was tied into with the academy trust. Is that not a dilemma, from all of our perspectives, because in the last analysis that school did not believe it was getting good VFM and it is, after all, public money?

Sir Daniel Moynihan: That sounds wrong.

David Wolfe QC: It also sounds odd.

Vincent McDonnell: Rather tangential to this, there is another question now, which is why would schools look to become an academy? The landscape has changed quite a lot. The majority of schools that are becoming academies now are either very successful, outstanding schools that seek or believe they should have more autonomy, or they are schools in challenge. However, as I am sure you will hear this afternoon, there are now a number of new initiatives in local authorities—if we look at places like Staffordshire that has now accepted its Education Trust; Richmond and Kingston have just got a separate trust—where schools are being brought in to a different approach of delivering services, of

working in the community. There is another discussion now, which is why do schools want to become academies, because the landscape is changing quite a lot.

Q948 Chair: Bishop, do you want to come in on that? I know in your paper you talked about a new model of collaborative size of something like 30 to 50 schools, if I recall. The local authorities were too big; it needs to be geographically proximate, held together, so new models of collaboration need to emerge because collaboration is the key.

Rt Rev John Pritchard: Absolutely, because we have so many schools, there are 4,700 altogether, the way that we are doing it is we already have 41 mid-level organisations—i.e. dioceses—and then each diocese is having its own multi-academy trust. That will probably operate as a kind of hub, so you have a high-level or high-quality set of directors for the multi-academy trust and then you build out from there into the smaller groups of schools that become academies as part of the chain in appropriate ways. Therefore, it may be there is half a dozen in one and there may be 20 in another, but it will be under that overall hub. That is the way we are thinking of doing it, because to have a huge number—as I say, in Oxford 280 schools—just would not work. Equally, though, we want to give schools the freedom to make their own choice. For some it will be academies, for some it will not, but collaboration is going to have to be the key wherever we are doing it, whatever we are doing.

Q949 Mr Raab: Can I just come back briefly to what you said about this, because as you said, your views have evolved a little bit as we have talked about it and discussed it? If you have a school within a chain, I totally accept your point that they have duties to the chain that must trump their short-term individual autonomy, particularly having benefited from the investment and the commitment that the chain has put in. I am just thinking of the analogy of competition law, which is based on similar principles of choice and competition. Your fetters on an employee or another entity leaving or that argument would over time become a lot less strong. For example, you might say to a school, “You have a duty to us”—and maybe that is five, 10 years or whatever it is—“and within that time we expect you to contribute back to repay the investment”. Surely over time, though, there must be a stronger case for allowing an individual school that, for whatever reason, is performing well and wants to gain some autonomy, to have the independence to do so from a chain.

Sir Daniel Moynihhan: With our schools that are successful we give them groups of other schools to work with, so they are very autonomous. For example, we had a school join in Chafford Hundred and it is now running a cluster of five schools, so their autonomy has grown and we see strong schools becoming autonomous and running their own groups within. However, I take your point that over an extended period the argument would become less so.

Q950 Mr Raab: If we go back to the final point, I just wondered, when a school has been forcibly academised, what the reaction has been from teachers and parents, and, in particular, are those different clusters of opinions different? Do you get divergence or does it

tend to be the teachers and the parents take a similar view? What is your personal experience of this?

Vincent McDonnell: I can only speak to one of the schools within a small group that was brought in and we approached it, as all of our work is done, in the sense of the partnership. We are here to support them to improve. We consulted with all the appropriate associations, with the public; we had a public meeting for parents. We took them through a journey of the goals that we would be seeking to achieve with them on behalf of the young people in the school. For us, it was not a difficult experience.

Sir Daniel Moynihán: We have taken over a number of schools in those circumstances and it is a really bruising experience for the sponsor, for the school and the parents. A school will have failed; it will be a shock to parents. Sometimes parents will see the school is failing and needs to change. Sometimes parents will feel worried about the change and will not understand what it means. We have encountered particular cases where very strong opposition has come from a vocal minority. Not in all cases, but in one or two there has been a very vocal minority with lots of media access and they have dominated things while, privately, parents who have not been willing to speak out in public meetings have contacted us to say they want us to come and do this. That has been quite difficult and the nature of the process can set that conflict up.

What happens is that you are announced as the potential sponsor and then the sponsor is invited to run the consultation process. Well, immediately in a contentious situation people are saying, “If it is about you coming to take the school on, you are running the consultation”. Clearly as fair as we try to be, there is an issue there and it may well be better if somebody independent runs the consultation and then presents that to the Secretary of State for the Secretary of State to make his or her decision. Currently what happens is the sponsor runs the consultation and presents it to the Secretary of State. I have mentioned Downhills; it had five inspections “unsatisfactory”, three special measures and it has now for the first time been judged “good”. Coleraine Park was in special measures and quite controversial, and has now been judged outstanding. We had a very difficult one, Roke School, which was opposed by a significant number of parents in Kenley in Croydon; it was in the national news; results have gone in one year from 61% of children being secondary-ready to 94%. The bottom line is, in the end, even in the most difficult of circumstances, when there is opposition, there is still a responsibility to the taxpayer and to society for that school doing well.

David Wolfe QC: I am just going to pick up the point made about the consultation process and the decisions around it, because that was never really designed. It has fallen into place through a series of different legal processes working together, like the IEB, the Academies Act and so on. Frankly, it is almost calculated, you might think, to create the kind of problems that Sir Dan is talking about, because it is not at all clear to parents who is making what decisions, whether it is really a decision to be made or whether they are just being told, “This is what Harris looks like; this is the colour of the uniform” or whatever it may be and then, as to the consultation, what role it really has. Who is running it is an extra point in that, but the process really almost seems calculated to create friction. Even if, at the end of the day—and I have no idea—parents end up being happy with the change, the process they are taken through is certainly bruising and that is a universal experience, I think.

Rt Rev John Pritchard: I will just say that in our case, of course, the schools are already part of a family of church schools. Therefore, although it is a shock and they may resent having an IEB coming in temporarily, nevertheless they know that they are going to be retained within the same family of schools, so it is an easier process.

Chair: If you have any thoughts on this or other topics that come up today, the business end of what we do is making recommendations to Government. We will be writing a report at the end of this long inquiry and if there are any specifics about who should handle a consultation that does not just blueprint continuing with a failing school, but nonetheless is more democratic and less friction-inducing, we would be delighted to hear it.

Q951 Craig Whittaker: Vincent, can I just ask you when you first informed the DfE that Prospects Academy Trust was being wound up?

Vincent McDonnell: It would be two, three months ago now.

Q952 Craig Whittaker: Is that May or June?

Vincent McDonnell: Yes, about that time.

Craig Whittaker: Can you be a bit more specific?

Vincent McDonnell: I would say June.

Q953 Craig Whittaker: You would say June, okay. When did you inform the academies in the chain?

Vincent McDonnell: They were informed immediately; the day after the decision was made.

Q954 Craig Whittaker: Okay, so at the same time as the DfE.

Vincent McDonnell: Yes.

Q955 Craig Whittaker: Okay. You said earlier that Prospects Academy Trust (PAT) was capped back in December 2013.

Vincent McDonnell: Yes.

Craig Whittaker: Due to concerns over educational impact, yet you acquired a new academy in May, the Gloucester Academy.

Vincent McDonnell: The Gloucester Academy has been a separate entity completely for a while. That was a free-standing academy that had been in trust between Prospects and Gloucester College and the Department asked that that be transferred into the Prospects Academies Trust.

Q956 Craig Whittaker: This happened on 1 April.

Vincent McDonnell: Yes.

Craig Whittaker: Yet you informed the DfE that you were going to be wound up in June.

Vincent McDonnell: Yes.

Craig Whittaker: That is fewer than six weeks before. Did you know you were going to be wound up before this happened?

Vincent McDonnell: No.

Craig Whittaker: Surely you realised there were issues.

Vincent McDonnell: Well, the Department wanted to see the Gloucester Academy Trust transferred into Prospects Academies Trust. They thought it was going to be a better solution, but by the very nature of that transferring in that put the Prospects Academies Trust into a more vulnerable position.

Q957 Craig Whittaker: You were capped in December though.

Vincent McDonnell: Yes.

Craig Whittaker: Why was that transaction allowed to take place only four months after you were capped?

Vincent McDonnell: The Department felt it was more appropriate, rather than have it as a single, freestanding academy in its own right, to bring it into the wider academy.

Q958 Craig Whittaker: Did DfE take no consideration whatsoever about the robustness of PAT before they took the decision? Is that what you are saying?

Vincent McDonnell: The DfE encouraged PAT to absorb Gloucester Academy into the Trust.

Q959 Craig Whittaker: You did not answer the question. Were they fully aware of how vulnerable, as an academy trust you were before they made the decision?

Vincent McDonnell: They were fully aware of the view that was expressed about the vulnerability of the Trust, yes.

Q960 Craig Whittaker: Okay, so one would presume, if it was six weeks before you were announcing you were being wound up, that your position was fairly weak at the time of this happening.

Vincent McDonnell: The decision to wind up the Trust was not taken until much later after the Gloucester Academy Trust was absorbed in.

Craig Whittaker: Well, it was six weeks.

Vincent McDonnell: Yes.

Chair: It was 14 May, rather than June. The reference to the six weeks is because on 1 April you took on the Academy and on 14 May announced that you would no longer provide services to academies.

Vincent McDonnell: That is my error, yes.

Q961 Craig Whittaker: I just find it incredulous that the DfE—

Chair: Incredible, even.

Craig Whittaker: Both. That the DfE could fully understand the position that you were in as a trust, cap you in December, but yet still allow this to happen. I know the DfE are not here, but can you, as the representative of the Trust, give us an explanation for why this happened?

Vincent McDonnell: If I could just explain the context of Gloucester Academy. It had been two schools in challenge. One was an all-boys school of predominantly Muslim 400 young men. The second school had been a Church of England mixed school of 350 boys and girls. They had been brought together to form the new Gloucester Academy. It has 60% pupil premium.

Q962 Craig Whittaker: I get all that, but why you and why not Harris? Why would the DfE take the decision to award you that contract, as you referred to earlier, and not somebody like Harris, which is clearly in a much better position?

Vincent McDonnell: Prospects Educational Trust and the Gloucester Academy were already caring for the Gloucester Academy. It was a separate entity; it stood outside of PAT, but we were part-sponsors of it already. The view of the Department was that we would do better by Gloucester Academy to bring it all into PAT, where you had a larger, more robust solution and resources available to help it.

Q963 Craig Whittaker: However, you clearly did not have those resources and solution.

Vincent McDonnell: Well, subsequently, the trustees took the decision to close the Trust.

Q964 Bill Esterson: The Chair already started to ask a few questions about geography and the impact on the ability of academy trusts to operate effectively. Can I ask: should chains be compelled to focus their academies geographically in the same way that the Church of England structures its trust by diocese?

Rt Rev John Pritchard: We find it a very helpful way of shaping our understanding of what we are trying to do, because we can go from the mega level across

the country—4,700 schools at the moment, of which 500 are academies—down to local and how you put two or three schools together. We have every level in between. The regional level is a helpful one and we have to see how it runs, but I think we have a better one really, because it is 41 mini levels that work out in a more effective way.

Q965 Bill Esterson: Dan, should it be mandatory?

Sir Daniel Moynihan: There is clearly coherence in geographical proximity, and our more experienced heads become executive principals and coach less experienced ones; we can develop leadership better that way. Therefore, I would say, if not compulsory, it should certainly be advisory. If a chain is not doing very well and it is not geographically proximate, then it probably should be compulsory.

Q966 Bill Esterson: What sort of distance would be too far to manage?

Sir Daniel Moynihan: All of ours are within 90 minutes' travel of each other and that works for us.

Vincent McDonnell: One of the challenges that PAT had is because of the way in which schools came into the Trust, in transfer as academies, we have academies that are literally 150 miles apart. That has been one of the difficulties in managing the Trust. We have a cluster of schools that are literally within five miles of each other, a secondary school and the feeder primary. Then we have two secondary schools that are within half an hour, 40 minutes of each other and another one that is 150 miles away. In a small Trust that does create difficulties and vulnerabilities.

Q967 Ian Mearns: Was that not entirely predictable?

Vincent McDonnell: Yes, but the school had entered into the Trust and they approached us and voluntarily entered into the Trust. We thought that was going to be the foundation for growing more schools in the locality. At the time, there were three other primary schools in the region that were looking to transfer to an academy trust. They were on the borders of vulnerability, so our vision and our assumption was that we would get the chance to work with those schools as well and grow that community.

Chair: You took a punt.

Vincent McDonnell: In the event, the Department awarded those primary schools to an alternative sponsor.

David Wolfe QC: I cannot speak to that, but I can just observe that I have two 17-year-old daughters whose maintained school is just going into an academy trust where their school is in Suffolk and the academy trust is based in Cumbria and its website says, "We specialise in academies in the north west". As a parent, I am looking to see how that is going to work.

Q968 Alex Cunningham: Are you concerned about that?

David Wolfe QC: I am. It is interesting. I think this trust has three academies and they are all in Manchester and Cumbria, and we are in Suffolk, which is six hours drive away.

Q969 Chair: Is the Suffolk school outstanding?

David Wolfe QC: No. It was a forced academisation.

Q970 Chair: If it was outstanding it could be the start of a new cluster, which would be alright.

David Wolfe QC: Who knows what is in the mind of this particular academy trust in stretching out to Suffolk? We will see.

Rt Rev John Pritchard: Some independent schools or chains manage to hold together across very large distances, do they not? I am thinking of the Woodard Foundation, for instance. I do not know how many schools they have, but they are all over the country and they manage not to be too close because they have a balance of autonomy and centralised support that seems to work.

Q971 Bill Esterson: However, in a system where I think we all agree that collaboration is a key element in high-performing schools does that not inevitably create a problem?

Rt Rev John Pritchard: We would say that for 93% of the school population who are in the state sector one way or another, it is much better to have closer collaborative structures.

Q972 Bill Esterson: How many academy chains do you think there will be in the future? Will the number of large chains increase or decrease?

Sir Daniel Moynihan: That will depend, I guess, on Government policy come the next election, but there is some evidence that very large chains are not as effective, so perhaps the number of large chains will decrease and we will see more medium-sized and smaller groups.

Q973 Alex Cunningham: Is that what you would recommend?

Sir Daniel Moynihan: Looking at what is happening with chains of size 60 or 80, probably.

Q974 Caroline Nokes: Do you think that the regional schools commissioners now in place are going to help contribute to the geographical cohesion of the policy?

Sir Daniel Moynihan: It is hard to answer because I have had very little contact with them. However, in theory, they should help with the regional coherence in that they

will bring an overview. Therefore, I expect that having someone having that regional view and giving us one point of contact for a region should be a positive thing.

Rt Rev John Pritchard: We are a bit doubtful. We will certainly try to make it work and again I am just speaking from a particular angle, but the danger for some of our diocese is they may be in two or three different regions and that is tricky. Consistency of approach is really important. An understanding of what a church school is is also sometimes doubtful. We just think it is too large. The LEA has gone, but at least the diocese, I think, is a better level really; 41 of those is better than eight. That is our feel about it, because local accountability is really crucial and local solutions worked out with that local accountability is really important and it still feels as if eight regions is too big.

Vincent McDonnell: One of the great challenges about the whole academies system is having clarity of role between the different people who work in the structure. What role do the brokers perform? What role will the regional people perform? From both a sponsor and a consumer point of view, there has often been opaqueness around the jobs that these different people have performed. If out of the inquiry the process that emerges has greater clarity, and it is almost like a PQQ-type exercise over when academies are going to become sponsored and who plays what part in that, that will be a great help.

Q975 Caroline Nokes: In an earlier question, Alex referred to this as a middle-tier situation and hearing from Sir Daniel and the Bishop, you both indicated that you have not had much contact with the regional schools commissioners yet. How do you see that relationship working going forward and are you relatively optimistic about it? Do you think it is going to give you that single point of contact?

Sir Daniel Moynihan: I am fairly optimistic about it. We deal with different brokers from the DfE now who contact us about schools and sometimes we can work out why we are being contacted about a school, other times we cannot. It would be good to have one person to deal with about those things and also to talk with about performance. That does make sense.

Q976 Mr Ward: How important do you think that being part of a local family of schools is to academies?

Vincent McDonnell: It is very important indeed. In the academies we have, we always subscribed to the local admissions code; representatives still sit in the school's forum. We see academies as still part of the community solution within the structure of schools that is available, because they are there to serve the community and those young people. Although they may go to a different structure of school, they do not stop being part of the community in which they live and reside, so I would say it is part of an overall solution and it is very important they still maintain their local relationships.

Sir Daniel Moynihan: The phrase "the local family of schools" is one that I have some difficulty with, because when we take on a school and it is opposed—and that is the majority of our sponsored academies where local authorities and everybody else do not want the failing school to become an academy—what they say to us is, "We are protecting

the local family of schools” and I always think, “Well, hang on a minute. These are disadvantaged children; they have been failing for a long time. What is it you are actually protecting?” In the sense that a local family of schools means a school that is outward-looking and willing to work with other schools positively and add value locally, I would agree with that and our schools endeavour to do that. However, there is this broader concept that is often used to oppose academy status that somehow becoming an academy puts this local family at risk. The people who say that never talk about the kids who are failing in this school being saved.

David Wolfe QC: In terms of the structure, the phenomenon that Sir Dan described earlier on with successful schools in his chain supporting others, that is across the chain however it is spread. That must inevitably be at the expense of school A helping school B, which is just down the road, which is not in the same chain.

Q977 Mr Ward: Can I just confirm that? Is that true? Do you have support for non-chain schools?

Sir Daniel Moynihan: Yes. We operate two teaching schools. You are probably familiar with the concept. It is bit a bit like teaching hospitals. We offer training across London. We are one of the four licensees to offer a qualification for new head teachers and we have a range of people from all types of schools on that. We offer the national qualification for middle leaders and for senior leaders, so we are offering national qualifications for teachers to schools across the capital. We are also running School Direct teacher training and students are placed in schools of all types and can employ those students. We have also become one of the Department’s new Maths Hubs and our job as a Maths Hub is to improve the quality of maths teaching regionally. We are in a number of initiatives where we offer what we do to people who are interested in picking it up.

Q978 Bill Esterson: Can I ask about the balance between direct and indirect costs in academies? What would be a reasonable amount for schools to spend on functions not directly related to teaching? I will perhaps throw some figures in here: 10%, 30%, 50%.

Sir Daniel Moynihan: Across the Harris group staffing costs average at about 71% and you could define the rest as indirect.

Vincent McDonnell: Staff costs for us are 75%.

Rt Rev John Pritchard: We do not think in terms of top slicing, but we do think in terms of services that need to be purchased and so those are provided at a level, I am not sure what it would be in each diocese, of course; I do not have that level information. However, we are clear we do not want to just levy schools so we can pay higher salaries centrally. It is about purchasing services that are really needed by the local school.

Q979 Bill Esterson: Is it a sign of efficiency if a school is spending a higher proportion of its budget directly on teaching?

Sir Daniel Moynihan: We monitor the percentages spent on teaching very carefully. Our heads run their schools and they decide the staffing complement, but we

will always ask a school to explain, if its staffing spend is above average, what its rationale is and whether it clearly based on improving things for children. Clearly, poor management can be simply overstaffing and not dealing with it, and not leaving enough to run the school in terms of resources for curriculum and learning materials. However, there may be cases in areas of high disadvantage when you take on a school where you do need to overstaff initially in order to reduce class sizes. Therefore, it is a question of asking about it and seeing if the explanation is reasonable.

Bill Esterson: Does everybody else agree with that?

Vincent McDonnell: Yes.

Q980 Bill Esterson: Dan, you gave me a figure of 71% for teaching.

Sir Daniel Moynihán: No, for all staff costs.

Bill Esterson: For all staff costs, okay. I am just trying to reconcile some figures here. We have the figures from the Academy Trust annual report and accounts to 31 August last year, which suggest that 41% of Harris's spending is on non-direct costs.

Chair: Non-direct educational costs.

Bill Esterson: Yes. This seems to be rather high.

Chair: Or wrong, which is my suspicion.

Bill Esterson: Yes, perhaps you can explain. Do you recognise that figure and are you in a position to clarify what that figure represents?

Sir Daniel Moynihán: I do not recognise that figure. I asked our FD yesterday to give me the direct/indirect split and he gave me 71%/29%, but there are so many different ways of categorising it. I am sure we can explain the difference, but I would need to go away and do it.

Bill Esterson: We may not be able to resolve it today. Just in case we can, according to the figures quoted by the accounts from last year, £43.3 million is spent on educational support costs against £68.4 million spent on direct costs and £5.1 million on other costs. Educational support costs include general administration, finance, HR, pupil recruitment and support, maintenance of premises and catering. Other costs are governance and implementation costs.

Chair: I am sorry to cut across you, but would it be reasonable to ask Dan to write to us on this and we will have that on the record and that will allow us to move on now, if that is okay?

Q981 Alex Cunningham: I would like to ask one question. I acknowledge your tremendous success in turning around schools, Dan. What does £5.1 million on governance and implementation costs mean? That is one of the figures that we have. You may say, "I will write on that as well".

Sir Daniel Moynihan: I will have to write on the figures.

Q982 Alex Cunningham: It is more than twice what everybody else is spending. In fact, it is 20 times more than some.

Sir Daniel Moynihan: I can tell you categorically we are not spending £5 million on what we would define as governance, so I would need to find out what the DfE has asked for and what has been reported.

Alex Cunningham: That would be helpful, thank you, because these are not helpful to you, I do not think.

Q983 Bill Esterson: The figure for Prospects was 35%, which again differs from the figure you quoted, so perhaps you could provide similar information, Vincent.

Vincent McDonnell: Of course.

Bill Esterson: There does seem to be a very big discrepancy between the figures quoted and with what might be expected in the maintained sector as well.

Q984 Pat Glass: The implication of all of this that we are left with is that in academy chains huge amounts of money are being siphoned off for salaries and it would be really helpful if we could have those figures so that we can challenge some of this.

Sir Daniel Moynihan: Of course.

Q985 Bill Esterson: Thank you. I will move on to economies of scale. What economies of scale would you expect in an academy trust with, say, 40 schools compared to one with 10?

Rt Rev John Pritchard: I would go back to that point that is not quite the number of schools but it is the number of pupils that we think of, so it is very difficult to answer that. The appropriate level for a rural setting may be very different from an urban one, but you need, I would have thought, at least 2,000-plus, whether it is in a lot of schools or in one or two schools. You need that kind of level, maybe 3,000, but that is not something I have sufficient knowledge of, I fear.

Sir Daniel Moynihan: We generated about £3 million of economies of scale last year based on 29 schools. About 850 of that was on a really good catering deal, which led to £500,000 of investment in our catering equipment. We employ qualified accountants to do our accounts, but each business manager, as we call them, has three schools to oversee. Therefore, the schools get the benefit of a qualified accountant, but there is an economy of scale in there and having one business manager for every three schools saves us another £600,000 per annum. We also have a high-level IT manager, better than any one school could employ, who oversees three schools. That allows us to cut back the number of IT technicians we need and that saves us another £700,000. We have introduced a

Voice-over-Internet Protocol phone system and that saves £250,000; standard photocopying and stationery deals save another £100,000 and I could go on.

Q986 Bill Esterson: Perhaps you could send us that detail; that would be helpful. What are the incentives for academy trusts to become more efficient when it comes to central services?

Sir Daniel Moynihan: My answer is our purpose is to do the very best for the children and that £3 million is £3 million that goes straight back into the schools for them to spend on teaching and learning.

Rt Rev John Pritchard: Absolutely. We do not want to be spending money on central services that are duplicated nor overpaying, but you do have to pay for quality, so we have to get the right level. We are committed to effective teaching, distinctive teaching, in Church of England schools and to an inclusive approach to serving the community, but the effectiveness does depend on getting the right level of expertise and so you have to pay for that.

Q987 Bill Esterson: I am not saying this is happening in any of the trusts that you are involved in, but there is comment about spending being made on services that effectively make a profit even though, on the face of it, things are at cost. What is to stop that happening?

Rt Rev John Pritchard: Of course, we are not looking at profit. We are looking at the service.

Vincent McDonnell: At the very outset, if you want to use your own resources to supply services, you have to sign, or you should sign a tripartite agreement with the Department so that you are committing to using resources you are going to make available at cost to the trust and you identify those costs separately. The paradox is that you can sell services to other trusts at a commercial rate, but with your own trust of course you are operating at a cost basis to make sure there is no profit margin involved.

Q988 Bill Esterson: Who is making sure that is cost?

Vincent McDonnell: There should be a tripartite agreement in place between, as we have, the parent company, the DfE and the trust to allow you to do that.

Q989 Bill Esterson: The DfE are making sure it is as cost, therefore.

Vincent McDonnell: Yes.

Q990 Chair: They are using all their expertise in commercial transactions and the way that markets work to do that are they?

Vincent McDonnell: Yes.

Chair: We should be reassured by that, or perhaps not.

Q991 Alex Cunningham: We still have the example of the schools in the south-west tied with an American organisation required to pay £100,000 a year for a curriculum that the regulator has said is not fit for purpose. How do those tripartite agreements ensure that we do not have that sort of thing happening?

Vincent McDonnell: If I understand that correctly, as you say, it is an American-based trust and they have a commercial product that they sell into the market.

Q992 Chair: It is a pre-existing curriculum and, apparently, at cost it is £100,000 a year.

Vincent McDonnell: The agreement is, as part of being in the trust, you come into our trust and we supply the curriculum to you. That is part of the membership and that is part of the structure.

Q993 Alex Cunningham: Who do we blame for wasting £100,000 a year on buying an American curriculum that is no use to our British kids?

Vincent McDonnell: Well, at some stage there would have been a discussion between the broker and the sponsor and doing due diligence over the appropriateness of the sponsor for that.

Sir Daniel Moynihan: It occurs to me that a non-academy school would be just as likely to purchase a curriculum. It is not a question of it being an academy; it is a question of possibly poor judgment in choosing a curriculum.

Q994 Alex Cunningham: Except they were required, as a member of that trust, to buy that particular product.

Vincent McDonnell: That trust also worked with brokers to say, “In the model we put forward we are going to be delivering this curriculum ourselves”.

Q995 Alex Cunningham: Yes and it would be lovely to be able to say it was his or her fault, but it is very difficult for us to pin it.

Q996 Bill Esterson: That moves us on to the salaries of chief executives of trusts. Are the salaries of academy chief executives paid solely out of the money given by the DfE to schools in the chain?

Vincent McDonnell: Yes.

Sir Daniel Moynihan: Yes.

Vincent McDonnell: There is no money given to the trust outside the budget that is made available to support schools.

Q997 Bill Esterson: The other question is: does the money paid to chief executives represent good value for money to the taxpayer?

Sir Daniel Moynihan: That is an issue for the board who make those decisions to decide.

Q998 Chair: Are you the highest paid person in the entire education sector, Daniel?

Sir Daniel Moynihan: I have no idea.

Q999 Bill Esterson: You say it is a matter for the board; is it not a matter for the taxpayer?

Sir Daniel Moynihan: Yes it is and the taxpayer will judge as well.

Q1000 Bill Esterson: What do you think taxpayers make of the amount that is paid?

Sir Daniel Moynihan: I think taxpayers will look at the performance of chains and look at what they deliver and look at the schools they have taken in and see how they have done. In our own case, we are a very low-cost chain. The charge to our schools is about 3.9%, 4%. We are low cost in terms of central charge yet the quality of our services is good.

Q1001 Pat Glass: Before we met with you, we had a presentation on a report that has been done for the Select Committee on conflicts of interest within the academy sponsor arrangements and I have to say it made very shocking reading. It went right from the conflicts of interest in the wider system, for example, an employee of a trust who works as an academy broker for the DfE, right through to some of the deals that we have heard about earlier. One chief exec got a pay increase of £84,000 in one year, which does not sit well with the 1% that is happening in the public sector at the moment. Most of this would make very salutary reading for the public and the taxpayer if they were to read it. Can I ask you do the usual financial rules around trustees and academies not apply? Normally, the rules in businesses are that if you are a trustee you cannot benefit or your company benefit financially from being a trustee. Does that not apply in academies?

Sir Daniel Moynihan: Yes.

Vincent McDonnell: Yes.

David Wolfe QC: Do you mean the trust board?

Pat Glass: Yes.

David Wolfe QC: They are bound by charity law and the same general principles you are talking about. It may be that you have in mind people who are outside the trust board, I am not sure.

Q1002 Pat Glass: We heard examples this morning of members of the trust broad whose companies are making a great deal of money from that academy or that academy chain. We would not expect that kind of financial arrangement in business.

David Wolfe QC: Or in charities.

Pat Glass: Or in charities, so we are confused as to whether there is some kind of legal process by which this did not appear to apply in academy chains.

Sir Daniel Moynihan: My understanding is it is not allowed.

Q1003 Pat Glass: So if it is happening, it is happening illegally, but it seems to be happening fairly widely in some academies.

David Wolfe QC: It sounds like a Charity Commission issue.

Q1004 Chair: The report we have is that over the past three years—this is AET—the Trust has been found to have paid nearly £500,000 into the private business interests of its trustees and executives. That is why we are asking.

David Wolfe QC: The trustees and executives.

Chair: Yes, but it includes trustees specifically. Obviously, executives is a different point.

Q1005 Bill Esterson: Vincent, when we discussed it a few moments ago you made clear that the DfE was there to make sure this sort of thing could not happen.

Vincent McDonnell: Yes.

Pat Glass: Yet it appears to be happening.

Chair: One further detail on that is, specifically, £180,000 has been paid to a company owned by the chairman for a project on leadership development and £21,500 to a company owned by a trustee for HR services. I think these are in the public domain already, but it is the way they have been brought together for us and then reflecting on the fact that we would have thought, as you say, the normal rules around trustees are so strict that you just cannot benefit, even if it might be a good thing if you could; in some cases it is just barred and that gives public confidence.

Q1006 Pat Glass: Do you believe that there needs to be tighter rules on conflicts of interest in the academy sector?

David Wolfe QC: It sounds like it is an enforcement issue as much as a rules issue in that example.

Q1007 Pat Glass: Therefore, it is not that the rules are not there; they are simply not being applied by the Department for Education, presumably, if this kind of thing is happening on a wide scale, which it appears to be.

Sir Daniel Moynihan: The rules are pretty clear.

David Wolfe QC: The examples you are giving seem to fall foul of the existing rules and so that would suggest an enforcement question. There may be other things that would call for wider regulation.

Q1008 Pat Glass: One of the other things that we heard about was the services charged at cost and at cost seemed to be whatever the person charging seemed to want to charge. Do you recognise any of that?

Chair: Vincent, your company has a separate trust to do these schools, but what was the motivation? Was there going to be business benefit? Were you going to sell more services as a result or can you say that there was no chance of that whatever?

Vincent McDonnell: No, it is fully articulated in our business plan. It talks about the relationship we are seeking to create with our client community, where we support it. In some areas where we had work to deliver information, advice and guidance services for young people in that area and we already know a number of young people who are in difficult circumstances—

Q1009 Chair: Sorry, the specific question was: was there a way that your provision of schools in the same areas where you are seeking for your trust to run schools, where you already have a lot of clients, going to reinforce your commercial position in those marketplaces if you did successfully run those schools? Was that part of the thinking?

Vincent McDonnell: No, because the services we were going to supply would always be at trust, but what it would do is just show the commitment to the community.

Q1010 Chair: Was that for commercial benefit though, because one of the issues is that there is the direct payment to the sister of the trustee or her company and then there is the indirect, where there can be—

Vincent McDonnell: If there was an indirect consequence, it would be demonstrating that we are long-term partners to that community and the council we are working with.

Q1011 Chair: Yes, but you are a commercial company with duties to taxpayers and I just want to check whether part of the motivation was that it was going to boost your bottom line, because that would be a potential conflict of interest.

Vincent McDonnell: It would not be, because any contract we would enter into, any work we would enter into would go through due process of procurement where the work would be secured in the open market, as happens at the current time.

Q1012 Chair: Could it strengthen your commercial position though?

Vincent McDonnell: It could strengthen our profile, yes.

Chair: And thus your commercial position, yes.

Q1013 Pat Glass: Is the EFA responsible here, is it up to the job and should the regulatory part be split from the financial role? What is your view of the EFA?

Sir Daniel Moynihan: The EFA make the rules pretty clear. They are pretty clear on what is and is not allowed and communicate that regularly, so I do not think there is any lack of clarity from them and they produce very good instructions and our auditors ensure that those are complied with. As to whether functions should be split within the EFA, I do not know enough to know what difference that would make, but in terms of them being clear about what is and is not allowed, they are pretty clear.

Q1014 Mr Ward: On the law, David, is it that payments cannot be made to trustees or is it that they can be made as long as they are not at profit? The scandal at Kings Science occurred on a property deal. The claim was that it was legal and all above board to make payments to Alan Lewis there because he was not making a profit. He could have received an equivalent amount in rent.

David Wolfe QC: I am not a charity law expert.

Q1015 Pat Glass: The evidence that we have had is that some academies have been basically told, “The normal rules do not apply to you. You can do as you choose”, so the information from the EFA is that they are not giving the right information and they do not appear to be regulating this.

David Wolfe QC: Can I go back to your point about splitting the functions? From the bit I see, which is the regulatory bit, I think that would be a very good idea. The bit I see most of is where the EFA are dealing with basically parental complaints and the impression parents give is that they are not really taking them as an independent player in the position. Parents often perceive, rightly or wrongly, that the EFA is an apologist for the academy, trying to paper over things rather than independently investigating on the parents’ behalf. That may be a wrong perception, but the fact that they are a single organisation certainly reinforces that sense.

Rt Rev John Pritchard: The split sounds sensible theoretically, but perhaps it is for others with greater wisdom to decide. From my point of view, the only difficulty we have with the EFA is a failure often to understand the nature of church school sites being owned by trustees and there is a whole educational process we need to go through there.

Q1016 Pat Glass: Sir Michael Wilshaw has called for Ofsted to have the power to inspect academy chains. It seems that everyone else in the education system agrees with him apart from Theodore Agnew, the Chair of the Academies Board. In the session that was held in Parliament just before recess on Birmingham schools, the new Secretary of State appeared to agree with that and said that she would certainly review this. What is your view? If local authorities can be inspected as well as schools, should chains not be inspected the same as academies?

Chair: A yes/no answer would suffice.

Vincent McDonnell: Yes.

Sir Daniel Moynihán: Yes.

Rt Rev John Pritchard: Certainly.

Q1017 Ian Mearns: Evidence that we have had to this inquiry suggests that governing bodies within chains are, in some places, only token appointments that are required, in effect, simply to support the decisions made by the trust at a higher level. What role should school governors play in academies within chains and does each school need a separate governing body?

Sir Daniel Moynihán: We firmly believe each school needs a separate governing body. Local governing bodies are very, very important to maintain that local link and local accountability, so Harris has local governing bodies. They might be a bit smaller than the predecessor schools. We take on secondary schools that might have a governing body of 25; our governing bodies will be, typically, 12 or 14, but they are really important and they do all of the things you would expect a governing body to do.

David Wolfe QC: Can I just pick up that last point? All the things you expect a governing body to do may have a meaning within the Harris context, but it will be different in a different trust. It now becomes a completely trust-specific question, because it depends exactly on what they choose to delegate down to their local governing body. The concept of being a school governor is no longer an identifiable unitary thing in the way that it might have been previously; it varies from situation to situation.

Rt Rev John Pritchard: Local accountability is tremendously important. The Church of England has 22,000 foundation governors who are trying to help in this. That is not all academies, of course, but that local accountability is meaning that we are trying to up the standard of governance and really invest in governor training.

Q1018 Ian Mearns: Dan, the Harris Academy in Peckham has 15 governors.

Sir Daniel Moynihán: Has what, sorry?

Ian Mearns: The Harris Academy has 15 governors, only one of whom is a parent governor, so is there a place for elected parent governors or representatives of the local community in an academy run by a large chain?

Sir Daniel Moynihan: Yes. Most of our schools have two or three elected parent governors. I know at Peckham they have had trouble finding parents to be on the governing body, but there has been more than that in the past.

Q1019 Ian Mearns: I am sure that that school in Peckham will not be alone in that; I know that in places around the country they struggle. So there is no thrust from your perspective or from the trust's perspective to exclude parents.

Sir Daniel Moynihan: Oh no. We have parents on all our governing bodies, they are elected, and elected staff as well.

Chair: I thank you all very much indeed. We will need to end the session there. If you have any further thoughts, particularly around recommendations or other reflections on today's evidence session—and we will be in touch with you, Dan—then please do be in touch with us as well. Thank you very much indeed.

Examination of Witnesses

Witnesses: **Martin Pratt**, Director for Children, Schools and Families, London Borough of Camden, **John Readman**, Strategic Director for People, Bristol City Council, **Jon Stonehouse**, Director of Children's Services, Education and Skills, City of York Council and **David Whalley**, Head of Service: Learning, Children and Young People's Services, Calderdale Council, gave evidence.

Q1020 Chair: Welcome, gentlemen. It is another all-male panel, albeit one is missing at the moment. Thank you for joining us today. Some people think the academies programme was designed effectively so that “anybody but local authorities” might have been a rallying cry, because too many of you failed too often and seem to be able to get away with it. What is your vision of the role of the local authority in the post-Gove world of academisation and more autonomous schools and can you be an effective and key player in the future and better than you were in the past? Any thoughts on that?

Ian Mearns: In year one PG.

John Readman: I absolutely welcome the opportunity to talk about that. I think the local authority's role clearly is as champion, as commissioner and as convenor of partnerships welcoming the diversity of the education landscape. As it settles down, the local authority's role is becoming clearer as that champion and commissioner and the role that we play in the two authorities that I have been director in has been where we have built strong partnerships with the network of academy chains as well as both local and national. There has always been room for improvement and there continues to be room for improvement, not just for local authorities but for academy chains as well.

Q1021 Chair: Thank you for joining us. Martin, are you positive about the future of local authorities?

Martin Pratt: Yes. There is a very clear role, I think, but it is not the same role as in the past. We are very clear in Camden that we have a strong partnership with schools; there are very few academies. However, the question is not one of structure, but it is one of standards and the way in which we are able to promote collaboration within a dynamic education ecology that drives performance and mobilises and unleashes the potential within the system to ensure we are not just getting—

Q1022 Chair: What are the secrets of that, because that kind of language I could have heard 10 years ago, 15 years ago? People will always say, “We are here and we are going to be great”. The dynamic is too often the critics might say local authorities identified with the schools not with the pupils, so they ended up as champions of schools and defending the schools, however indefensible they were at time, in certain places, and there was insufficient challenge. Have we moved to a place where local authorities, using their democratic mandate, genuinely champion the pupil, no longer identify with the institution, but are there to support but challenge the institution on behalf of the pupil? Could this be a new and positive paradigm or have we undermined the role of the local authority, under-resourced the local authority? Going forward, are local authorities going to be stronger or weaker and why?

John Readman: I would say it is variable across the piece. There are huge variations across the country of local authorities where local members, etc., have seen their role within the new landscape very clearly and have worked to resource that and to build those partnerships. There are some local authorities where they have not necessarily grasped that role and there is work to do.

Q1023 Chair: Do you think the vision is reasonable? If the Goveite massive impetus, sometimes with some pretty messy bits on the side, not all thought through, but that shift over, could it lead to local authorities in general—there will always be the great and the poor—playing a better role on behalf of the children, who should matter more than the institution or the teachers’ unions or whoever?

David Whalley: On the role of champion for children, we have been on a journey over the last four years and certainly with elected members. In Calderdale now, 27% of our schools are academies. We feel we have really strong relationships with academies and we work well with them. One of the key messages for elected members in taking them on that journey has been that, as a local authority and with our academies and with our maintained schools, our role is an individual role. Who else can provide that role of the champion for our children? That is exactly the way that we have taken elected members on that particular journey. That is a really important role for us.

Jon Stonehouse: The role of the local authority in York, as I am experiencing it, is a positive one. We have a mixed economy of schools, as most local authorities do now. We have a small percentage of academies. Out of 65 schools we only have four academies, two secondary and two primary and it is easy for us because we are a small

local authority, so we can get all of our schools in one reasonably sized room at the same time. We have good, ongoing, regular dialogue with our schools and the four schools that have become academies have displayed no intention to remove themselves from the York family of schools.

Our role, however, is changing massively. The traditional model of intensive school improvement resources and a high level of school improvement resources within the local authority is now no longer the case. We are much more in a place where we are quality assuring the school improvement, the peer to peer support that schools give one another. That gives us a much better basis on which to challenge how those arrangements are working and to what extent they are improving outcomes for children, so it is a positive view.

Q1024 Pat Glass: Can I say up front that I think the bringing together of education and social services and children's services was a big mistake for education and it effectively has led to children's services becoming child protection and safeguarding organisations? Is it not the case that as we get a more academised system there will not be a role for local authorities in education?

Jon Stonehouse: It is not my experience to date.

Q1025 Pat Glass: Are you not largely safeguarding authorities now?

Jon Stonehouse: In terms of our budgets and the people that we employ, the greater volume is around protection and safeguarding. However, in terms of influence and partnership, the volume of my work and the work of my senior team is pretty much split still between working with our education providers and working on the children and social care side. Having that joined up dialogue with our schools is hugely beneficial and is focused on the needs of children and young people in their entirety. Therefore, when we do meet with all of our schools on a termly basis, all head teachers, it is a joint agenda that focuses on education standards, on sections within our children and young people community that are not achieving as well as they should do, but also on those protective and preventative agenda items. We attempt to cover that whole agenda and I believe we do it successfully.

Q1026 Ian Mearns: What is the split within local authorities now between those local authorities that have a chief officer working in children's services who comes from a children's social services background and those who come from an educational background? Obviously, there may be others who are chief officers who come from another background.

David Whalley: Probably at a national level they lean towards a safeguarding background. I do not know the exact percentage, but I think that has been, again, the direction of travel. However, to separate safeguarding from education is really dangerous. Our schools are a key partner in the safeguarding agenda.

Q1027 Pat Glass: No, they clearly have to work together better, but it was the structural bringing together. I was working with schools before 2010 and head teachers were telling me in droves, “Why would we stay with this authority? There is nobody in this authority who knows anything about education until you get four layers down”. I think that is what has led to the massive academisation.

John Readman: We might not agree, but there are some authorities where perhaps that has been the case. This goes back to the earlier question. I almost welcome the opportunity for an authority where all schools are either academies, free schools, etc, so that the director of children’s services in that authority can really demonstrate what being champion, commissioner and broker is about and demonstrate that role for director of children’s services as well as the role for the local authority. In my authority, we are on the tipping point of being over 50%, which we have welcomed and supported and actively brokered. Therefore, in a sense, the sooner we have a higher percentage, hopefully, we can, if you like, present what the future could look like and perhaps tackle some of the myths about either as local authority or not.

Q1028 Chair: The Schools Commissioner told this Committee that he had a vision of an all-academised system. Would you welcome that, Martin?

Martin Pratt: Not particularly. I do not think that the question of structure is really the key point. What I look forward to is a system where we are clear about how an integrated system supports children to achieve and creates high quality learning establishments. I think we need to move slightly beyond the role of the local authority and the question of academisation.

Q1029 Chair: Was it not about getting you to stop identifying with the schools and defending our schools and start identifying with the children and their needs and not caring about the schools’ acceptance and to serve the needs of pupils. In too many cases you did not. You started to identify with your organs rather than the needs of the children and, therefore, that is why some people would have a vision of an all-academised system, in order to create that psychological break and get you to be the champion of the right people for the right reasons rather than the wrong people for the wrong reasons.

Martin Pratt: So the question is one of the characteristics of the system and the system conditions; it is not necessarily about those structures. However, I completely agree that the focus on outcomes for children has to be the test. That includes high educational standards, but it also means those children are safe and thriving. The question of whether or not all schools are academies is less important than the characteristics that are being displayed by the system within which those children are being educated.

Q1030 Bill Esterson: We have met some authorities that have done as all of you have described. To a greater or lesser degree, they see all schools as part of the family. We have also met other authorities that have made the point that they really struggle because they have the responsibility but not the power to intervene in schools. How do you manage the lack of power to achieve the sorts of outcomes that you have all hinted at to a greater or lesser degree, so that you have a relationship that you are in a position to look after the children?

David Whalley: The power to intervene where we see underperformance, is that the point you are making?

Q1031 Bill Esterson: The way things are set in academies, the point that has been put to us is you do not have the power to intervene in those schools but you still have the responsibility for the children in those schools. How do you deal with that issue?

David Whalley: Again speaking from a Calderdale perspective, where we see underperformance in an academy we will challenge that academy and we have challenged that academy and, to date, academies have responded. For example, there may be an invite to a progress meeting, so that we are aware of what the situation is around the data, around the leadership. The academies have gone along with that, although there has been some tension, because ultimately chairs of governors have said, “If we do not come to your meeting, what are you going to do about it?” which I think is your question around the power. To which we have responded, “Clearly we would have another dialogue with DfE and with Ofsted” and we have had that ongoing dialogue. I do not think it is so much around worrying about power, but again, as academies, we continue to monitor their performance and we will have a dialogue and discussion if we feel that that is not good enough.

Q1032 Bill Esterson: Before other people come in on that, the other point put to us has been the dramatic fall in the numbers of staff you have to be able to work with schools.

John Readman: What I was going to add is that where it is working best and where it is developing best is where the director and the local authority, as you say, sees itself very clearly as that champion of children role and builds that relationship between the DfE, Ofsted, the local authority and academy sponsors within an area. It is about advocacy and influence and it is about ensuring that everybody is playing that role. Bristol is an authority that has had historically poor performance but is going up. I am new to the city there. You have to develop that local focus where everybody has that common determination to see improvement. In a sense, you have that majority view of getting behind a set of city outcomes, so I think it can be done and there are areas where it is being done well, where people are about to use their accountability responsibilities without getting into intervention.

Martin Pratt: In a sense, our responsibility for maintained schools still relies on our ability to influence, because they are more autonomous as well. Therefore, the question is really how you most effectively intervene to achieve rapid improvement, sustain that improvement and go from having good schools to having great schools. You do that through the emphasis on common endeavour, on the moral purpose of education.

Q1033 Chair: Bill’s question, though, was about the powers and possibly also capacity. Do you have what you need legally, regulatory-wise and in terms of money? That is what he wants to know.

Jon Stonehouse: Local authorities have understood the need more clearly for what capacity we require. We do still need a reasonable amount of capacity.

Q1034 Chair: Do you have it and what would it look like if you did?

Jon Stonehouse: It is difficult, because local authorities vary in size so significantly, but I have an assistant director whose sole responsibility is around education. Her primary focus is developing the school improvement system within our city and she has a team of senior advisors, a smaller team than she used to have that is about developing and quality assuring that school improvement system. Therefore, we still have enough capacity to have those senior officer relationships with our schools.

David Whalley: In addition to that, again going back to the journey that we have been on, in Calderdale there are myself and four officers. It used to be maybe five, six times that, so how do we cope capacity-wise? What we have become much more astute at doing is picking up on the local intelligence that is available to us. There is still a team of educational psychologists, for example, who are part of my service, who are in schools all the time. We have an admissions team; we have HR, we have legal and all parts of council services, who work with academies and maintained schools. The trick is to make sure that we harvest that information, which we now do on a monthly basis and where we have schools that we are concerned about there is maybe somebody within Finance, for example, who picks up that a school's budget is perhaps careering out of control and it is about feeding that in. It is not about us, as a team, delivering school improvement, because that is the job of the schools and we are there to monitor and to support that school improvement by making the best of the peer-led systems that we have in place.

Q1035 Bill Esterson: It is using the resources in the schools.

David Whalley: It is a joint process. We have council resources, which we are making better use of because we have to, but the onus initially around school improvement lies with the schools.

Q1036 Chair: Do you have what you need, Martin?

Martin Pratt: Yes, I do, and we have, I suppose, a political priority as well, which means there has been some additional investment in retaining and developing individuals who have the challenge relationship with head teachers. That is another way of using the information we have, the intelligence in the system, not just to see whether or not the school is going to do well in its next inspection, but differentiating the evidence to see whether or not particular groups are making the levels of progress required and also what other schools might be able to add to that.

Q1037 Chair: So you do not want any more money given to your capacity local authorities for education; that is clear.

John Readman: Could I just say we are four very different authorities with different models and there will be many more of the same. In fact, the shakeup of the system has meant that you have that difference and that is okay. Camden is probably pretty well resourced, is that fair to say?

Martin Pratt: At the moment.

John Readman: Others less so. If a local authority is trying to adopt its traditional, old role then it definitely does not have the resources to do that anymore. With the resources that you have, which are very small, you have to play that new role.

Martin Pratt: Yes. Moving forward, the other thing is the extent to which the common endeavour has investment from the local authority and the community of schools in order to deliver that process.

Q1038 Bill Esterson: Moving on to the relationship with the DfE and the interaction with academies, Dominic Herrington, the Director of the Academies Deliveries Group at the DfE, told us, “We have an ongoing dialogue with all local authorities about academy status of some shape or form. That dialogue often depends on the approach of the local authority”. How good or strong is that in practice?

David Whalley: The difficulty with the relationship with the DfE—and again we have worked hard to ensure we have good relationships there—is that there is very little stability. Maybe that is a feature of being a civil servant, I do not know, but at Calderdale we are constantly meeting new people and it has been very difficult to establish a working relationship. The only constant has been an academy broker, who is clearly just looking for schools to convert to academy status. As the majority of our schools are good and outstanding that conversation is not required.

Q1039 Bill Esterson: Can you give a specific example of what happens as a result of that lack of stability?

David Whalley: The case that I put forward is that where we have had a concern with an academy, we have raised it through that particular contact. We did have an academy that we were really concerned about, raised it at several opportunities at those meetings with the DfE and I was concerned that the appropriate—

Q1040 Bill Esterson: So progress is too slow.

David Whalley: The school went into special measures and it should not have done. Another worry to that is where the local authority is currently a member of an academy trust board, the DfE has tried on a couple of occasions to remove the local authority from the sponsor group simply because we are a local authority. The school is outstanding; it has been outstanding under the new Ofsted arrangements. The academy is more than happy to have the local authority as a co-sponsor, but the DfE is trying various means to remove the local authority from that trust board. That is creating some tensions and some issues, because there does not seem to be any sense in it apart from political dogma.

Q1041 Bill Esterson: Are there other experiences?

Jon Stonehouse: We have a regular, if infrequent, dialogue with DfE. That feels right; it feels proportionate. The majority of our schools are doing well. The dialogue with DfE is around schools that perhaps on their radar are causing them concerns. Generally, those schools will be on ours as well, so we focus on those specific schools and we report what action we will be taking as a local authority. It feels a good and appropriate relationship that we have.

John Readman: I would say reasonably good dialogue. We have been through a period of transition. The regional schools commissioner role seems absolutely critical in terms of connecting up more local knowledge. You have DfE, civil servants, sometimes quite junior, making major decisions around education business a long way away from London and sometimes it feels that, so the role of the regional schools commissioner to really improve and increase that level of local knowledge is crucial.

Bill Esterson: We will come to that.

John Readman: I am sure. It is reasonably okay, but could be better.

Martin Pratt: In my previous authority in Luton, we had regular contact with plenty of challenge about particular schools. I have been in Camden for six months. I have not yet had any contact, but we have 58 schools, 59 including the academy and, of those, only two require improvement and the others are either good or outstanding. Therefore, in terms of proportionality on this issue that is probably an explanation for that.

Q1042 Craig Whittaker: David, good morning. First of all, I just want to thank you for the submission on Hipperholme and Lightcliffe High School that you gave to the Committee, because as you know, I have been all over that like a rash. I want to use this scenario to get to a couple of the points that I want to ask. Personally, I feel the DfE have behaved intolerably in how they have handled the whole situation, not supported and definitely not listened. I know, as a non-educationist, that there have been some real concerns about this particular school, an academy, for several years and yet the DfE seems to have totally ignored local knowledge and expertise, particularly from the local authority.

Chair: Do you have a question?

Craig Whittaker: I am getting there. In particular, when they were converting to an academy, when they were opening a free school and now when they are failing, they have totally ignored the local authority. Is that a fair assessment or is that me being a bit melodramatic?

David Whalley: Yes, I think it is fair to say that there are some real concerns around how that particular case study scenario has panned out. One of the issues, as I referred to earlier, has been instability in those key contacts at the DfE and so we have been having the same conversation over 18 months with different people and have felt that we have been starting again each particular time. The end of the story is no better than the beginning. We have heard that the school in question, because it is a failing academy, will be taken out of its current trust arrangements and placed with another, successful, trust. We have an outstanding academy in Calderdale; we felt it was a no-brainer that it would become part of that multi-academy trust, yet the DfE seem to have performed a U-turn on

that. Whereas four weeks ago that was a great idea, it now appears that that school will go to an academy trust in Leeds, which clearly we have no contact with. It just feels that the dialogue has not been listened to and the needs of those 1,500 children do not seem to have been the highest on the agenda.

Q1043 Craig Whittaker: Could I just ask everybody else—do either of you have similar scenarios where you feel as though the local authority are just not being listened to? Sir Michael Wilshaw said that local authorities should haul in sponsors, for example, and, if need be, speak to the DfE and Ofsted. In my experience, it is alright speaking to the DfE but they do not listen. Is that a similar experience that you guys have had as well?

Jon Stonehouse: No, not personally. I have been in York six months; we do not have any sponsored academies and we have not been in that particular scenario that you have highlighted.

Q1044 Craig Whittaker: Okay. Anybody else?

John Readman: Nothing as serious as the Calderdale example, but more recently, and it is not just Bristol, is where it has been too slow for conversion and a lack of available high-quality sponsors. The DfE have just been too slow on it and not enough good communication around getting to the answer.

Q1045 Craig Whittaker: Let me pick up on another point, David, which you made earlier about the DfE seemingly not wanting to have local authorities as part of sponsorships. In fact, Janet Penman only last week told me that there is a positive policy at the DfE now that local authorities should not be sponsors and, if they are sponsors of an academy, that academy will be frowned on for being involved in a MAT. Do you think that is a fair policy?

David Whalley: Again, it was clearly an area of concern where we have a successful, an outstanding, academy wanting to become a multi-academy trust, we did not think there would be any issues around that. However, the DfE made a statement to the school that whilst the local authority remains as a member of the trust board it could jeopardise the conversion to a multi-academy trust—almost a veiled threat; I am not sure it was even veiled. Therefore, the school has had to approach the local authority to say, “Could you step off our trust board so that we can become a multi-academy trust?” and it does not feel as if there are any particular, sound educational reasons behind that. Again, it simply seems to have come as a directive from the DfE, which I was not aware of until quite recently.

Q1046 Craig Whittaker: The policy must be in force, because they have told me personally it is a policy in force. Does anybody else have any views on that particular policy of the DfE?

Martin Pratt: The question is always the proof of the pudding, is it not? If you have outstanding schools achieving outstanding outcomes for children, then that has to be the test. I cannot see a particular reason for taking that stance because, in some cases, the

local authority brings a particular benefit to that trust. It should not be that the local authority is always required to do that either. It seems to me a horses for courses thing.

Chair: Going back to my question at the beginning, there is a rationale, which is to make sure that you do not have local authorities identifying with “my school”. There is at least a rationale there that you want to create the separation so that you are champion of the children, not that because you have sat on the board for years you are worrying about defending the performance of that school rather than championing the children. Thus, there is a rationale; perhaps they could have made it more explicit rather than just suddenly announcing at the last minute.

Q1047 Caroline Nokes: It has been suggested that where local authorities are strong schools are far more likely to stay with local authorities rather than convert to academies or find themselves sponsors, and that where local authorities are weak the reverse is true. Do you have any experience or comment on that?

John Readman: You are very much in the category of a strong local authority, so maybe you go first.

Martin Pratt: Thank you for that. As I have said, the vast majority of our schools are judged to be good or outstanding. We have had no converter academies at all. There are two free schools and the UCL Academy, which have formed over the last couple of years. They work collaboratively with the other schools and with the local authority. I guess the question is: are schools getting what they need in terms of support, challenge and intervention? Is there a sense of common endeavour about driving standards, never accepting low standards, but also of investment? That is investment in terms of social capital, so the quality of governance, as well as capital in buildings and programmes. Camden Council has invested heavily in addition to the money provided by DfE in the schools infrastructure and that has created a sense that there is no reason to do anything other than concentrate on achieving the very best education outcomes we can.

John Readman: I always encourage people to challenge the idea of staying with the local authority, it being one or the other. Local authorities have not run schools for 25, 30 years and that is really important. Governing bodies run schools, so I would put that challenge in. I would not say my authority is strong. There are elements that are strong and some not. It is something about running an authority, strong or weak, where you are encouraging a different model and the diversity of schools and the diversity of provision. There are strong authorities that, in a sense, have actively encouraged academisation and encouraged that diversity and that could be part of the strength, rather than it being “we are a strong local authority, so we want everybody to be a local authority maintained school”. I am not convinced, in the future, that is necessarily a sign of strength.

Jon Stonehouse: From the York point of view, there is a culture of we are in it together here. This is about York’s children. There is a sense of that strong common purpose. From a local councillor perspective, there is cross-party consensus that we work better together and there is a real strength of feeling that we are high-performing, so that tends to help with all of that. However, I tend to agree with John that it is less about the status or structure of an individual school. It is more about how we all work together. I

have only been there six months, but I sense that previously there perhaps has been nervousness and defensiveness around academisation. I think that is reducing and there is more development and understanding that it is still about partnership, how we work together, how we communicate, transparency, all of those things that are more important.

Q1048 Chair: We are extremely strapped for time, so I am going to ask for short, sharp questions and answers.

David Whalley: The 27 academies that are now academies have converted whilst I have been in Calderdale, so I have conversations about “Why are you doing this?” Without doubt the initial glut of academies, about 15 to 16, felt that there was a financial advantage in them converting at that particular time and it was not whether the local authority is good or bad or whether they like me or not. The conversion rate has slowed down, but the academies are now looking and again it is a financial impact of, if their building needs some work on it, they feel that they have a greater chance of getting some maintenance around their building if they become an academy. We also have a small number of church schools that are grouping together through a faith dimension, but it has never been about if they think the authority is weak or strong; it has been about other independent issues.

Q1049 Caroline Nokes: I will give you an opportunity, following on from any of your answers, to give a really short, sharp yes or no: would you regard it as good practice for a local authority to promote academisation in order, in many respects, to find a local solution to problems? Maybe this would involve ordering a strong school to convert to academy status to the sponsor a weaker one.

David Whalley: Yes, if it is appropriate for that particular school.

John Readman: Yes, if it is appropriate for that school. But there are also a range of options. There are always options.

Q1050 Caroline Nokes: Whilst we are on the subject of a range of options, do you think that local authorities should be allowed to sponsor free schools and academies?

John Readman: It would be interesting if there is a divergence of opinion between us. I think that they probably should not, because there is potentially a conflict. Conflict is too strong a word, but it goes back to the question about the role of DCSs. If this role is to be the champion for children, the champion for our communities, the convenor of partnerships, and to have a whole system view, you would then become too located by if you were running a number of schools as a sponsor.

Martin Pratt: I would agree with that. In my previous authority a charitable trust was established previously by the Council for performing other functions, particularly around leisure centres. It was able to act as the sponsor of a free school. That separation was very helpful, but actually for me it does not seem appropriate for the local authority to be directly sponsoring.

Jon Stonehouse: I would agree with that. I think not directly as a single entity, but local authorities could be part of a consortium that you might put together—however you might

describe that, and whatever governance model that would have. I do not think it makes sense to say we could not ever be part of that.

David Whalley: No. We are there as a champion for all our children.

Q1051 Pat Glass: Can I ask you about the regional schools commissioners? Is this going to divide or improve the relationship between maintained schools, the local authority, and academies?

David Whalley: It is early days, but I have fortunately been in a position to have met with our regional schools commissioner. He only took up the post quite recently. To be fair to him, he came up to Calderdale and had a meeting with me. I have had a few conversations with him around the school that Craig Whittaker mentioned earlier. It is too early. It is a huge region, particularly in the area I am working in. We have a regional schools commissioner has got responsibility for academies in Lancashire, Greater Manchester and Merseyside, and West Yorkshire. This is an incredible mix of people when you put them all together. I do not think it has ever been attempted before. It will be an interesting one.

Chair: He will have a big contact book, will he not?

David Whalley: He is going to have to tiptoe round the M62 corridor. He is from Liverpool, which does not help for those in West Yorkshire, of course.

Q1052 Pat Glass: It sounds as if it is going to divide it.

David Whalley: I just cannot see how –

Pat Glass: How it is going to work?

David Whalley: I asked him, “How is it going to work?” He said, “Just see me as the Secretary of State for this particular region”. I said, “I cannot really see you as Secretary of State for the region”. It is early days but we have had a dialogue, and he seems to be listening and responsive to a local authority view.

Jon Stonehouse: I have not met ours yet.

Pat Glass: Is it not the same one?

David Whalley: West Yorkshire is not York.

Jon Stonehouse: Yes. I remain optimistic about it. We do have strong regional structures and good cross-border understanding as things stand at the moment. I suppose we just need to be clear that it does not become something that further complicates how we do things.

John Readman: My view is probably slightly coloured by the fact that we have David Carter who is a very strong Bristol man, and who has been a witness to the Committee. We have had a strong relationship since he was in a previous role. Even if I did not have that local knowledge and local relationship, there has to be something that closes the gap between national and regional. The regional schools commissioner role is a critical role

that will improve co-ordination. Each area needs to develop relationships between its LA, its Ofsted regional director, and its DfE regional director. That is the critical triangle that will secure greater improvement.

Martin Pratt: The answer would be that it depends how that role is fulfilled. It could be used to drive division and to make that very clear, or it could be used to focus on educational excellence and outcomes. Like Jon, I am hopeful.

Q1053 Pat Glass: Is geographical size important here? Is it too big? Could you see it working better if it covered a smaller region?

Martin Pratt: The function itself, which is focusing primarily on failing academies although obviously on commissioning as well, would depend on number of academies in that area. But actually, it appears to me that it is not quite one thing or the other.

Q1054 Pat Glass: When we had David Carter and Robert Hill here, I think I asked them if they would see parental complaints as part of their role. They said “yes”. I just thought, “Then you are going to be completely overwhelmed, are you not?”

Chair: Robert Hill was an academic.

Pat Glass: Oh, right. Sorry.

David Whalley: I do not think they are aware of the volume that that would bring. Clearly, we have a large number of academies. If you are a parent in Calderdale and you are unhappy, you do not ring up whoever the Secretary of State may be. It comes through the local authority initially. It always comes to me—or to Craig, who then passes it on to me. The thought of a regional commissioner taking on that role is just not sustainable. It will not work.

John Readman: The capacity and infrastructure behind the regional schools commissioners is still in development. It is too early for us to see that.

Q1055 Chair: There is a danger of them being asked to do more things. If they suddenly get publicity then you will have parents who do not know who they have got to go to. If they have got to pay for the super head of the complaints to bring you in to line, and off they will go. How do we make sure that they stay on a sufficiently narrow focus? Are they just going to be glorious super brokers in certain places? Are they just going to be the champions that push everyone to become an academy as the answer to all known woes? Or are they going to be genuine partners in the school improvement journey?

David Whalley: During my conversation with a regional commissioner, I got the strap line that, “Academies will not be allowed to fail”. I would not disagree with that, but there was very little on how that particular post was going to bring about that end result.

Q1056 Ian Mearns: Ofsted told this Committee that school-to-school support is crucial in a self-improving system, and that local authorities could be a facilitator of that. How do you see your role in a self-improving system?

David Whalley: I would say that local authorities have a key role in being a broker. They are not there to provide school improvement, but to broker and to commission the appropriate arrangements—be it through teaching schools or through multi-academy trusts. At Calderdale we have school clusters, which all schools are part of. Critically, all academies are part of these as well. I note from the earlier panel that the question of capacity came up. If you have got academies who are all doing their own thing, then who is there to provide that support to the other schools? We need academies to be part of that system. The next key area that I will certainly be trying to challenge around is getting a very robust challenge mechanism. Head teachers like working together. They like working in partnership together. They do not like actually challenging each other face-to-face. That is a key area that needs to be developed as part of any school-to-school peer-led system.

John Readman: I would say that the school-led school improvement system is developing massively. The challenge I have given to heads as part of my discussions is that at the moment, we are doing huge amounts around brokering, and with sponsors and others, but at the moment it is not quite yet strong enough that a school that starts to go down gets picked up. There is not yet that consistent edge and robustness.

Q1057 Chair: Do they have to be in a MAT to get that edge? Does being in a MAT make it more likely that there will be that edge, or is it just as likely that they do not want to challenge each other?

John Readman: Potentially, they could be part of a number of different areas. We will know we are succeeding in that new system when that system works well enough that it does not require the local authority to spot an academy going into DD.

Martin Pratt: I slightly disagree with that. I think the local authority can actually bring that edge, as long as it is structured and organised to do that. For example, we have peer assessments of even our outstanding secondary schools. These involve external challenge partners, heads from other schools in the borough, and the local authority expert in that area, going through a process which is robust and vigorous. The problem with the self-improving system without the grip, the edge, or the grit in it is that it risks—as the chair was suggesting local authorities were doing—over-identifying with schools. It is difficult to have that conversation and to say, “You do know, do you not, that this evidence shows you are beginning to go in a downward direction. What are you doing about it?” This conversation needs to be a central part of that.

The other aspect is that the local authority should bring a sense that our schools are rooted in their communities yet not constrained by their geography. Thinking about the ways in which the system might work, I expect our schools to have relationships nationally, and internationally in terms of research, as well as locally. So, it is locally expressed but is not inward-looking. It is rooted in communities but it is not constrained by them.

Q1058 Ian Mearns: There is a dilemma for local authorities because technically, local authorities still have a duty over standards in the schools in their area.

Martin Pratt: Absolutely.

Q1059 Ian Mearns: But we have not got all of the powers with all of the schools that you would want in order to make sure that standards are constantly improving.

Martin Pratt: Therefore, this sort of partnership is the mechanism by which the local authority can discharge that responsibility. But it does have to be clear that that is still its role.

Q1060 Ian Mearns: From my perspective, local authorities fulfil a handy role because they are always there to blame

Jon Stonehouse: There is lots of school-to-school support going on. There has been for some considerable time. We need to make sure that that accountability is robust. We are still working through how we bring all schools together: what sort of structure we enable that to work within. That needs some clarification and tightening in York.

Q1061 Ian Mearns: Do you think local authorities have the same kind of relationship with both sponsored and converter academies?

David Whalley: Again, it depends where the sponsors are based. We have got sponsors that have two schools based in the north-east. Again, geography does come into it. It is much easier to have a dialogue with a trust board who meet within your local authority than somebody from a considerable distance away. We have had some particular issues around that.

Q1062 Pat Glass: Is there a danger that as more schools become academies, and as we move towards a more academised system, local authorities lose their skills in school improvement? Is that not already happening?

Jon Stonehouse: We hinted at this earlier when we were talking about capacity. Going too quickly to a school-to-school improvement model risks losing too much capacity too quickly. There are plenty of examples of local authorities who are trying to get some of that capacity back, particularly with the introduction of the Ofsted inspection framework for local authorities, yet have struggled to get that capacity back. It is a risk. In York we are clear about the level of capacity we need.

Pat Glass: Anybody else?

John Readman: It depends on the role you see yourself playing as a local authority. I think I said that earlier. If you want to play that traditional role and say, "We will provide school improvement" then you do need to retain your skills. That is definitely a challenge at the moment in the market. If your role is to convene, support, and broker different types of school improvement that can be delivered by a number of different parts of the

system—national or local—then in a sense the skills you need are about commissioning and partnership rather than going in and actually doing that improvement.

Q1063 Pat Glass: Does that then lead on to some local authorities not having that role at all, and commissioning that in from other, bigger local authorities who still have their school improvement services?

John Readman: Potentially, yes.

Q1064 Chair: Teaching school alliances are a critical part of this as well. You have Maths Hubs as well. Teaching school alliances appear, by crossing academy, maintained school, and local authority boundaries, to be a very important part of the self-improving system that can train up and develop local people to stay committed to the area, and all the rest of it. What is your relationship with them? What is your appreciation of their development?

David Whalley: There are three teaching school alliances in Calderdale. We think that the local authority has a role in brokering and commissioning. In effect, they are three separate businesses who are very keen to take on as much business as they can within individual schools. It is the role of local authority to try to be the glue that holds that together, otherwise it is almost a beauty contest between three different groups saying to schools and governing bodies, “We can do this for you”.

Q1065 Chair: Remembering that what we do is to write recommendations for change, are they set up right? If you have got any recommendations about the way that teaching school alliances could be made stronger, or if you think they are alright as they are, do tell us.

John Readman: I will have a think about that.

Martin Pratt: I will do the same. They are pretty variable across the country, both in terms of model and performance. They are a crucial part of the system, but it is early days yet. I would like to have a think and then perhaps respond on that.

Q1066 Pat Glass: Finally, I have a question on admissions. I have always thought that admissions was one of the key roles of local authorities acting on behalf of children and their parents, and not in the interests of schools? In your experience, are academies changing their admissions process when they become academies?

John Readman: It comes back to how successfully the system or the family works as that and embraces that diversity. My experience is that people’s admissions codes have not gone awry and have not gone against the overarching city approach. That said, there are ways you can do it. If an academy’s codes are completely out of sync you can go to an adjudicator, etc. But generally, if you get the system right, the admissions one should not be an issue

Jon Stonehouse: I will just say that our experience to date is that our academies still operate within that overall York arrangement. It has not to date caused us any issue.

David Whalley: I would mirror that. I want to take the opportunity to say that a key aspect of this is school organisation and pupil planning. We are finding that we have academies and free schools that can expand their numbers without any recourse to the local authority. That is bringing a potentially huge impact for years to come when we are trying to plan future pupil places. There needs to be some sort of recommendation around the Department having more robust process in working with local authorities when agreeing to expand free schools and academies; what would be the impact on that local authority?

Chair: Any final thoughts on what place planning should look like?

Q1067 Pat Glass: Sorry, just very quickly—what is happening in London?

Martin Pratt: In Camden we have not had any difficulties at all in that area.

Pat Glass: Because there are no academies.

Martin Pratt: But in terms of pupil place planning and free school applications, that is very destabilising. We seem to have had very little contact until very recently with either the DfE or EFA. We are beginning to have those conversations, but it is still very difficult.

Q1068 Pat Glass: You are all small local authorities: a couple of inner-cities and a couple of northern ones. I wonder what the situation would be in the big counties like Hampshire, Kent, and Essex.

John Readman: The place planning issue is an important issue because in the initial flurry to set many flowers growing there was very poor dialogue. We had a very good experience in Hull of turning poor dialogue into a really good partnership to get a free school in the right place that would benefit children from a particular community, rather than in completely the wrong place. However, it was hard to get to that. There have been a number of high-profile examples demonstrating that you have to work in partnership to get the right impact. That is what has changed in the DfE in the last year: you have now got a much better dialogue around if it is a junior school, free school, etc. You actually have a joined-up dialogue that is right for the local community.

Chair: Thank you very much indeed, gentlemen, for giving evidence to us today. If you have any further thoughts, particularly around specific recommendations—however focused they may be—we would be grateful to hear from you. Thank you very much again.