



Permanent Secretary

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Meg Hillier
Chair, Public Accounts Committee
House of Commons
London SW1A 0AA

13th October 2020

The Academies Programme, PAC Report 17, Session 2010-12

Capital Sponsorship of Traditional Academies

The purpose of writing is to provide an update on the remaining recommendation in the PAC report, The Academies Programme - Session 2010-11 (HC 552). This relates to recommendation 6: *"The department should clarify the status and recoverability of outstanding debts, negotiate clear and realistic payment schedules with the relevant sponsors, and monitor repayment"*.

I recognise that this recommendation has been outstanding for some time now, with the original implementation date being October 2011. As you will be aware, given the very different nature of the capital contribution agreements made with each of the sponsors, the process has been both complex and lengthy. Of the original £146 million pledged, the department has secured contributions or other agreements for over 93% of agreed sponsor contributions, as at the end of September 2020.

The department has been working to bring the remaining capital contributions to a conclusion and had planned to update the committee via the Treasury Minute Progress Report in June 2020. However, when the June 2020 report was postponed as a result of the Covid-19 pandemic, we believed the next Treasury Minute would be required for January 2021 and had been working to that timeline. The next publication of the Treasury Minute Progress Report was subsequently confirmed as October 2020.

Unfortunately, it has not been possible to conclude our work in time to meet this earlier deadline. Departmental officials and legal counsel have been entirely focused on the Covid-19 emergency response and ensuring that the education system is supported during this challenging time. However, I want to assure you that we continue to take action to bring this to a conclusion.



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I apologise for this unavoidable delay, but fully expect to be able to provide a full response in January 2021.

Regards

SUSAN ACLAND-HOOD
PERMANENT SECRETARY