

# Free Schools in 2012

## How to apply

### Alternative provision Free Schools

# Introduction

This guidance:

- sets out the aims of the Free Schools programme;
- outlines the timetable for the preparation, submission and assessment of applications to open alternative provision Free Schools in 2012;
- details the information you must provide in each part of your application;
- sets out the criteria against which your application will be assessed; and
- lists the minimum requirements which all alternative provision Free School applications must meet in order to be considered.

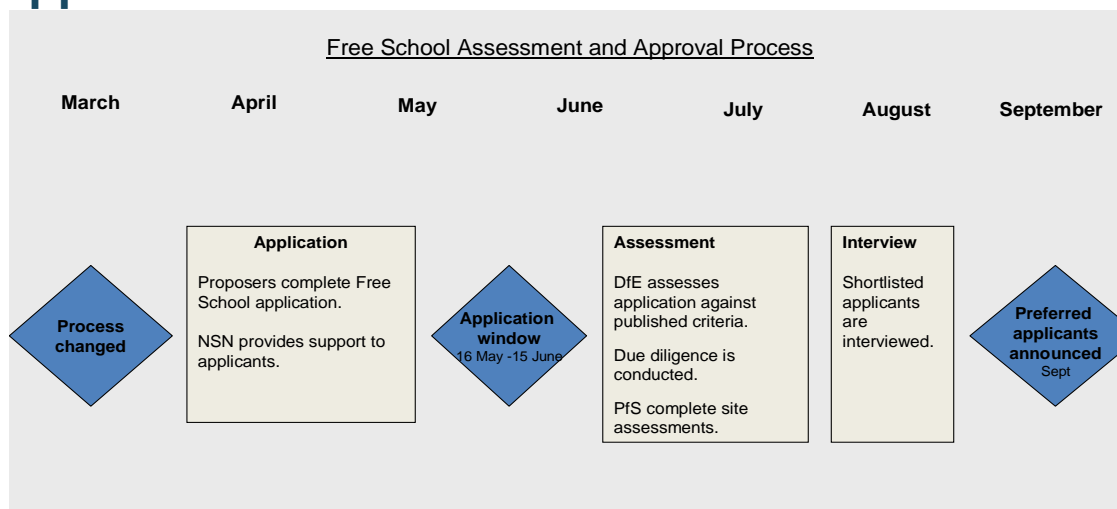
## Free School aims

The vision of the Free Schools programme is to raise standards by encouraging a range of new and diverse providers to play a much greater role in state education. These new providers will have the opportunity to propose establishing new schools in response to parental demand, thereby introducing increased competition, new ideas and greater diversity into the school system.

In delivering this change, the Free Schools programme aims to:

- drive up quality of provision and standards – not only by the introduction of new Free Schools, which are of high quality themselves, but also in other local schools;
- provide parents with greater choice about the school their child attends – with the power to propose to set up their own school if they are unhappy with existing options;
- encourage greater innovation in the education system by opening it up to a much wider range of providers and approaches;
- provide a value for money solution to creating new school places and driving system-wide change; and
- create an increasingly self-sustaining and self-improving system, relying far less on central government intervention and more on school leaders, teachers and parents themselves to ensure a good quality of education for all.

# The timetable for assessing and approving applications



## What happens when

### Preparing and submitting your application – up to 15 June 2011

- Read this guidance carefully;
- New Schools Network is able to provide advice and guidance to help you prepare your application; and
- **Please note that any applications received by the Department either before 16 May or after 5pm on 15 June will not be considered.**

### Assessment of your application – 15 June to 31 July 2011

- We will assess your application against the criteria set out in this document;
- Any applications that do not meet the minimum criteria will be rejected;
- All applications that meet the minimum criteria will:
  - be judged against each other on a competitive basis, using both the minimum and comparative criteria set out in this guidance;
  - be subject to due diligence checks - this means that we will use the personal information you provided to ensure your application is suitable to be submitted to the Secretary of State for his approval; and
  - undergo viability and cost assessments of your preferred site by Partnerships for Schools.

## **Interviewing applicants – 1 to 19 August 2011**

**If your application meets the minimum criteria *and* is assessed as one of the strongest applications against both the minimum and comparative criteria, we will invite you to interview in the first three weeks of August (1 – 19 August).**

This is a key part of the process. Therefore, please ensure that the key people in your team hold this time in their diaries in case your application reaches the interview stage.

## **Approval to the financial assessment stage – 19 August to end of September 2011**

- The first alternative provision Free Schools will be created in September 2012 and consequently there is not an established funding model for such schools. Funding will be determined as part of the work on the wider reform of the school funding system. In the meantime, as part of the application, proposers should set out their expected funding levels in line with the guidance in section 8 of this form.
- If you submit a strong application, the Secretary of State may approve your application to the financial assessment stage. This will be confirmed by the end of September, at which point you will be provided with a dedicated project lead from the Department.
- It is at the financial assessment stage that applicants will be judged against the minimum and comparative criteria in section 8. Approval to this stage does not guarantee that you will be approved to the pre-opening stage – but it will give you access to support from the Department as we make the final assessment of the financial viability of alternative provision applications. This may mean that applicants need to produce further financial information in light of the recommendations of the school funding review (which are expected in the summer).
- If you are then approved to the pre-opening stage, you will be provided with support to help you secure a site and open your school in September 2012. There will be a significant amount of work to complete between your alternative provision Free School application being approved and opening in September 2012.
- Assuming you make good progress against the key milestones in the pre-opening stage, the Secretary of State will then make a decision on whether to enter into a Funding Agreement – this represents final approval.

## Application guidelines and criteria

This guide to completing your alternative provision Free School application is divided into sections:

- Details of the **applicant group**, including information on the registered company and individual members;
- A **summary sheet** with basic details about the proposed school; and
- **Specific sections** on educational vision and plan, evidence of demand, organisational capacity and capability, premises, initial funding and financial viability.

Each section includes instructions on what you are expected to demonstrate, criteria against which your application will be evaluated and reference to any relevant laws, regulations or guidance.

### Format requirements

**Sections 1 and 2** require you to complete template forms. Please include these with the main part of your application.

**Sections 3 to 7** should be on A4 paper and in Arial font with a minimum font size of 12.

**Section 8** requires you to complete the template spreadsheet. Please include this with the main part of your application.

You are also required to complete **Section 9** (which is self-standing and is accessible in a *separate* downloadable form). This section asks you to provide and confirm personal details and declarations.

### Application deadline and instructions

We must receive your application no earlier than 16 May and no later than **5pm on Wednesday 15 June 2011** in order for it to be considered<sup>1</sup>. You must submit one copy of your application electronically and **two** in hard copy. You will need to return two copies of “Section 9: Suitability and Declarations” to us by hard copy using the address highlighted in that document within the same timescales.

---

<sup>1</sup> Applicants should not submit additional supporting material after this date, although the Department reserves the right to request additional information if deemed necessary.

Further details on how to submit your application form will be available on our website on 9 May 2011.

We will inform applicants of the outcome of their application by the end of September 2011, if not earlier. Please note that there will not be any appeals processes.

## Process and criteria

We will assess your form in three ways:

- against the minimum criteria, to decide if your proposed alternative provision Free School is likely to be one of acceptable quality;
- against other alternative provision Free School applications, to ensure that only the best applications are approved; and
- against cost considerations, to ensure that the proposed alternative provision Free School is affordable and offers maximum value for public money.

To that end, please note that:

- **applications that do not meet all minimum criteria will not be approved.** These criteria are set out at the end of sections 3-8;
- **all applications that do meet the minimum criteria will then be assessed against each other**, using both the minimum and comparative criteria, also set out at the end of each of sections 3-8; and
- **value for money and overall cost will be a consideration throughout**, and applications will be assessed against each other in this regard.

## Wider contextual factors for alternative provision Free School applications

In assessing an application, we will take into account a wide set of contextual factors, including, but not limited to:

- the age range of the alternative provision Free School;
- the groups of pupils likely to access your provision;
- overall cost;
- value for money;
- the level of deprivation in the community that it serves;
- the quality and type of other providers of alternative provision in the local area;
- the type of alternative provision you are proposing; and
- its religious ethos or not.

## Education Bill

Under current legislation all Free Schools must provide full-time education based on a broad and balanced curriculum to at least five children of compulsory school age. Subject to Parliamentary approval, the Education Bill currently before Parliament will make it possible for alternative provision Free Schools to offer full and/or part time provision and remove the explicit requirement to offer a broad and balanced curriculum. Where proposers wish to offer part time provision or to offer a curriculum that is not broad and balanced they should make this clear in their application.

### Additional criteria for existing providers seeking to become Free Schools

Only existing providers that already offer high quality places will be considered. If existing providers do not meet the following minimum criteria, their applications will be rejected:

- Registration as an independent school (for existing providers which offer full time education for five or more pupils of compulsory school age or one or more such pupils with a statement of Special Educational Needs (SEN) or who is in public care (within the meaning of Section 22 of the Children Act 1989)). We expect all existing providers to have met this existing statutory requirement, if appropriate.
- For all existing providers:
  - There have been no significant complaints to the provider or local authority about the current provision. If there have been complaints, please provide an explanation (including the outcome) in your application; and
  - The existing provider has a good track record of managing their accounts (see section 8 below).
- For existing providers that are registered as an independent school:
  - For those inspected by Ofsted, the Bridge Schools Inspectorate or the School Inspection Service, judgements of good or better in each of the following areas of their latest inspection report:
    - (i) the quality of education;
    - (ii) safeguarding pupils' welfare, health and safety; and
    - (iii) promoting the spiritual, moral, social and cultural development of pupils;
  - For those inspected by the Independent Schools Inspectorate, judgements equivalent to good or better in each of the following areas of its latest inspection report:



- (i) the quality of academic and other achievements;
  - (ii) the contribution of curricular and extra-curricular provision;
  - (iii) the contribution of teaching;
  - (iv) the quality of the pupils' personal development;
  - (v) the contributions of arrangements for welfare, health and safety; and
  - (vi) the effectiveness of governance, leadership and management;
- There are no significant outstanding issues on compliance with the independent school standards.

If an existing provider meets these criteria, we will take into account not just the information included in the application form but wider contextual factors, including:

- examination performance, both in absolute and relative terms compared to other providers of alternative provision. Our expectation is that, where applicable, the existing provider should perform significantly better than other providers of alternative provision in the local area at the relevant key stage;
- where the existing provider does not have examination performance to compare, they should demonstrate how they measure success. This should include pupil progress and re-integration rates (our expectation is that the existing provider should perform significantly better than other providers of alternative provision in the local area at the relevant key stage);
- the demand for the existing provider (our expectation is that the existing provider is at or near maximum capacity in terms of pupil numbers and that local authorities and schools are willing to refer children there);
- the level of deprivation in the area - in the event of two similar applications, those from more deprived areas will be prioritised;
- overall cost – including judgements on revenue and capital cost estimates; and
- value for money.

# Checklist for applicants

Before submitting your application form, please ensure you have:

- established a Company Limited by Guarantee (also commonly known as an 'Academy Trust') and registered this with Companies House (not the Charity Commission)<sup>2</sup> - guidance can be found at the links below. Model documents for alternative provision Free Schools will be available on the Department's website shortly. Please do not set up your Academy Trust until the relevant model document is available. This version will be based on the arrangements for mainstream Free Schools, details of which are at the link below<sup>3</sup>;
- completed ALL SECTIONS of the application and suitability and declarations forms, using the section numbering and titling consistent with the guide below:
  1. Applicant details
  2. Outline of the school
  3. Educational vision
  4. Educational plan
  5. Evidence of demand and marketing
  6. Organisational capacity and capability
  7. Premises
  8. Initial costs and financial viability
  9. Suitability and Declaration (separate downloadable form);
- completed and attached the financial viability assessment spreadsheets (section 8); and
- considered your responses against the evaluation criteria for each section.

---

<sup>2</sup> <http://www.companieshouse.gov.uk/>.

<sup>3</sup> Model Memorandum and Articles of Association are available from <http://www.education.gov.uk/schools/leadership/typesofschools/freeschools/a0074737/free-schools-model-funding-agreement>

## Free School requirements

The Free Schools programme aims to increase the range and quality of education for children in a pluralist and democratic society. The Secretary of State will therefore seek to ensure that only suitable persons are permitted to establish Free Schools which will be publicly funded. In addition, any decision relating to the establishment of Free Schools must be affordable and in accordance with the Government's wider policies and guidelines.

The Secretary of State will consider each application on its merits and take into account all matters relevant to the application. He will reject any applications put forward by organisations which advocate violence or other illegal activities.

In order to be approved, applications will need to demonstrate that they would support UK democratic values including respect for the basis on which UK laws are made and applied; respect for democracy; support for individual liberties within the law; and mutual tolerance and respect.

### Assessing the suitability of applications

In addition to the evaluation criteria set out in this application form, you should also be aware of the following **minimum requirements**.

1. Section 149 of the Equality Act 2010 places a duty on the Secretary of State to promote equality of opportunity. The Secretary of State must have due regard to the need to:
  - Eliminate discrimination, harassment and victimisation;
  - Advance equality of opportunity<sup>4</sup>; and
  - Foster good relations (and tackle prejudice and promote understanding)<sup>5</sup>.Applicants are required to ensure that their proposed Free School will be able to further those aims.
2. Alternative provision Free Schools cannot be designated with a religious character and therefore cannot discriminate on the basis of faith when appointing staff or in admissions. They can, however, adopt a religious ethos and if they do, will have to balance the needs of all children (whether of a particular faith or none).
3. Creationism, intelligent design and similar ideas must not be taught as valid scientific theories.

---

<sup>4</sup> This refers to people who do / do not share a protected characteristic; protected characteristics refer to age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation

<sup>5</sup> *ibid*

4. Existing provider applicants should note the additional criteria set out on p.8-9.
5. Alternative provision Free School applicants will need to confirm that they understand and accept the following:
  - As set out in the Education Bill currently before Parliament, alternative provision Free Schools must be principally concerned with providing full-time or part-time education for children placed by local authorities under their statutory duty to make arrangements for education for pupils out of school. Other places may be filled by pupils placed by schools;
  - Alternative provision Free Schools must have arrangements to safeguard and promote the welfare of children who are pupils at the school. Subject to parliamentary approval, the regulations we will apply are set out in parts 3 and 4 of Schedule 1 of the Education (Independent School Standards) (England) Regulations 2010  
[http://www.legislation.gov.uk/ukxi/2010/1997/pdfs/ukxi\\_20101997\\_en.pdf](http://www.legislation.gov.uk/ukxi/2010/1997/pdfs/ukxi_20101997_en.pdf)  
; and
  - Before opening a Free School, Academy Trusts will need to enter into a Funding Agreement with the Secretary of State. This is the contract between the two parties and sets out the arrangements under which the Free School will operate. A model Funding Agreement for mainstream Free Schools is available here:  
[www.education.gov.uk/freeschools/a0074737/free-schools-model-funding-agreement](http://www.education.gov.uk/freeschools/a0074737/free-schools-model-funding-agreement). Details of the model Funding Agreement for alternative provision Free Schools will be available later in the year.

## Section 1: Applicant details

As Companies Limited by Guarantee, certain details will be publicly available on the Companies House website. However, personal information will be treated in accordance with the Data Protection Act 1998.

We realise that not all of this section will be relevant or appropriate to existing Academy sponsors.

<b>Details of Company Limited by Guarantee</b>
Name:
Company address:
Company registration number:
<b>Main contact</b>
Name:
Address:
Email address:
Telephone number:
<b>Members and Directors</b>
Please confirm the total number of (a) Company Directors <input type="checkbox"/> and (b) any other members of the Governing Body <input type="checkbox"/> appointed to date and list them below. Please also confirm who the proposed Chair of the Governing Body is.
Name:
Position:
Name:
Position:
Name:
Position:
Name:
Position:
Name:
Position:
Name:
Position:
Name:
Position:

<b>Related organisations</b>
Does the Company Limited by Guarantee have any links (through the members, directors or otherwise) with any other charitable or commercial organisation? Y/N
If Y please provide their name and Charity Commission number and describe the role that it is envisaged to play in relation to the alternative provision Free School:
If your organisation is an existing provider of alternative provision that is registered as an independent school, please provide your six digit unique reference number:

**Declaration to be signed by a Company Director**

I confirm that the information provided in this application is correct to the best of my knowledge and that if the application is successful, the Company will operate an alternative provision Free School in accordance with the requirements outlined above and the requirements of the Funding Agreement with the Secretary of State.

Signed:

Print Name:

Date:

Each Member and Director of the Company should also complete and return the personal information and declarations from Section 9 (which is in a separate downloadable form).

-----

## Section 2: Outline of the school

Proposed school name:						
Age range:						
Proposed numbers at each key stage at point of opening and explanation of how pupil numbers will expand to fill the school over time.		2012	2013	2014	2015	2016
	Key stage 1					
	Key stage 2					
	Key stage 3					
	Key stage 4					
	Post 16					
If an existing provider of alternative provision which is registered as an independent school, provide details of your latest inspection (including the report), current numbers on roll and total capacity of school.						
Will your school have a religious ethos? If Y, please specify which faith.	<input type="checkbox"/> Yes <input type="checkbox"/> No					
Is this an application for a single-sex school? If so, please tick the relevant box.	Y / N. If Y, please tick one of the following boxes <input type="checkbox"/> Boys <input type="checkbox"/> Girls					
Local authority area in which the school would be situated (and if near to a LA boundary please include names of neighbouring LAs).						



## Section 3: Educational vision

The educational vision should describe why you are setting up *this* alternative provision Free School and its defining features and ethos. This is your opportunity to tell us in your own words about the overarching vision for your school.

### Information required

- Set out why you are establishing your alternative provision Free School – the rationale for this age range, curriculum offer, location and pedagogy; and
- Identify what will make the school distinctive in its vision and ethos.

### Evaluation Criteria

Minimum Criteria:

- A clearly focused vision that underpins the application; and
- A vision that aligns with the aims of the Free Schools programme (as set out on page 3).

## **Section 4: Educational plan**

The educational plan should describe the structure of your school and the experience that pupils will have whilst attending it. You should set out what pupils will achieve, how they will achieve it and how the school will evaluate performance, both of individual pupils and the school as a whole. As well as pupils' educational outcomes, you should set out how you will address pupils' behavioural or other challenges, with a view to them returning to mainstream school or to further education, training or employment.

### **Information required**

#### **Admissions**

Set out how local authorities and schools will refer children to you. You should set out in detail the links you will establish with your local authority (or local authorities), other local schools and/or other organisations to support the referral process and how you intend to maintain these links once the alternative provision Free School has opened.

You should also specify how you will manage referrals throughout the academic year, and the possibility of high in-year turnover of pupils.

You should note that, while many children with special educational needs access alternative provision, children with statements of special educational needs should not normally be educated by such providers on a long-term basis.

#### **Curriculum and organisation of learning**

Set out expectations around the length of the school day, term and year. Specify whether all pupils will have the same school day/week. If not, set out how you will manage pupils with very different patterns of attendance.

If applicable, set out how you will meet the needs of pupils who will be in your school for varying lengths of time, from short placements to a full year or longer.

Describe the curriculum in detail, setting out how it will meet the different needs and interests of all pupils including, for secondary students, the range of qualifications which might be offered. You will need to confirm whether or not you will offer a broad and balanced curriculum, why your curriculum is appropriate for the children in your provision and how you will meet their educational requirements.

Set out a curriculum model that shows what proportion of learning is given over to each subject or area of learning for each age group.

Set out your approach to disabled pupils and pupils with special educational needs, who may or may not have a statement, and set out how you will have regard to the SEN Code of Practice.

### **Organisation of pupils**

Explain how pupils will be organised, for example through year groups, tutor groups or other class structures.

### **Pupil development and achievement**

Show how your school will define, measure and hold people accountable for the success of: i) the whole school; and ii) individual pupils.

Explain how your school will, where appropriate, prepare pupils to return to mainstream schools or to continue in education, employment or training. This should, where applicable, include how you will meet any needs concerning pupils' behaviour or other factors that have kept them out of mainstream schools.

### **Partnership working**

Set out how your school will engage and work with other partners such as the local authority (or local authorities), other local schools, other providers of alternative provision, agencies and services.

If you propose to offer part-time provision you will need to explain how you intend to work with schools and other providers to ensure that your provision complements the other provision that children are receiving as part of their full-time education.

### **Behaviour and Attendance**

Show how the alternative provision Free School will promote good behaviour, positive relationships and good attitudes to learning; and show how the alternative provision Free School will maintain high levels of attendance.

### **Community Engagement**

Explain how, when the alternative provision Free School is established, it will aim to foster good community relations and promote active contribution to modern British society, in line with the Equality Act 2010.

## Evaluation Criteria

Minimum Criteria:

- A clear plan for how your referral process will ensure that the alternative provision Free School is accessed by your target group of children and how you will manage admissions throughout the academic year;
- A viable and appropriate curriculum plan, tailored to meet the individual needs of pupils. This can either be a broad and balanced curriculum<sup>6</sup> or include at least the functional elements of English, maths and ICT;
- A clear strategy for ensuring that the needs of pupils with different abilities are met;
- A clear definition of success and how it will be measured;
- A sound approach to behaviour management and attendance;
- A description of how the school will foster good community relations and promote active contribution to modern British society, in line with the Equality Act; and
- If a school with a religious ethos, a plan for how to balance the needs of all children (whether of a particular faith or none).

## Further Guidance

Behaviour and exclusions:

<http://www.education.gov.uk/schools/pupilsupport/behaviour/exclusion>

SEN code of practice:

<http://www.education.gov.uk/childrenandyoungpeople/sen/sen/guidance/a0013160/the-sen-code-of-practice>

Equality Act 2010:

[http://www.equalities.gov.uk/equality\\_act\\_2010.aspx](http://www.equalities.gov.uk/equality_act_2010.aspx)

---

<sup>6</sup> In order to be considered broadly based and balanced, the curriculum must (a) promote the spiritual, moral, cultural, mental and physical development of pupils at the school and of society, and (b) prepare pupils at the school for the opportunities, responsibilities and experiences of later life.

## Section 5: Evidence of demand and marketing

You must demonstrate that you have sufficient demand for the type of provision and number of places proposed, and that you have engaged with the wider community. As set out in the Education Bill currently before Parliament, alternative provision Free Schools must be principally concerned with providing full-time or part-time education for children placed by local authorities under their statutory duty to provide education for pupils out of school. Other places may be filled by pupils placed by other local schools.

Solid evidence of sufficient current demand is a minimum requirement and you **must** provide the information required in order for your application to be considered.

### Information required

#### Evidence of demand

Provide information that clearly shows the level of demand from your local authority (or local authorities) and other local schools for the type of provision and number of places proposed. Evidence should include agreement from local authorities and, where appropriate, schools that they would be willing to refer children to your alternative provision Free School. You should also provide any other evidence to support your application such as details of: any consultation or discussion with the local authority in whose area the alternative provision Free School is situated, as well as other local authorities, schools, and organisations; wider demographic data; and any other evidence of local need.

You may also wish to include evidence of support from parents whose children currently access the type of provision you propose. If you have completed surveys to evidence demand, please **do not** provide us with copies of individually completed survey forms; however, do tell us the questions that you asked in your survey - which should be specific to your school.

We expect alternative provision Free Schools to have reached their steady state for pupil numbers by the beginning of their third year. Steady state for alternative provision Free Schools is unlikely to be 100% capacity for the full academic year due to the nature of alternative provision. You should set out what you consider will be your steady state for pupil numbers over the course of an academic year, based on full-time equivalents.

Demonstrate how you have - or how you intend to – make the school known and attractive to the local authority (or local authorities), other local schools and/or other organisations.

## **Consultation and equality of opportunity**

For all applications that are approved, the Academy Trust will need to carry out a statutory consultation. Please detail your plans for consultation as set out under section 10 of the Academies Act 2010; in doing so, you will want to consider your wider responsibilities under equalities legislation.

## **Marketing strategy**

Provide a plan for how you will market the school and engage with local authorities, other local schools and other organisations on an ongoing basis. You will need to be able to achieve the demand you have identified for your school so that places will be filled in each year going forward.

## **Evaluation Criteria**

Minimum Criteria:

- Evidence of demand – that the local authority (or local authorities) and, where appropriate, other local schools anticipate needing to refer children to your type of provision. You will need to show that this anticipated need is high enough for you to be financially viable in your first two years of operation; and
- Confirmation from the local authority (or local authorities) and, if appropriate, other local schools that they would use the provision.

Comparative Criteria:

- Demonstrate how you intend to work with the wider community, including children from a range of backgrounds and faiths (if relevant) and across the ability spectrum.
- Existing providers will need to demonstrate evidence of demand beyond their existing pupil base;
- A clear plan for the statutory consultation which must be undertaken by the applicants (should the application be approved), including consideration of how you might respond to feedback; and
- A robust marketing strategy built on your educational vision and plan, taking into account your proposed intake and the demand that you have already gathered.

## **Further Guidance**

Statutory Consultation:

<http://www.legislation.gov.uk/ukpga/2010/32/section/10>

Equality Act 2010:

[http://www.equalities.gov.uk/equality\\_act\\_2010.aspx](http://www.equalities.gov.uk/equality_act_2010.aspx)

## Section 6: Organisational capacity and capability

You must demonstrate to us that your group / team has the capacity to set up and run a school that will meet the needs of your target pupil group, and has access to the relevant educational and financial expertise.

If your application is approved, we will then support you to secure additional expertise that you may need in relation to project management, ICT and sites and buildings.

Before submitting an application for an alternative provision Free School, you **must** have established a Company Limited by Guarantee (also commonly known as an Academy Trust) with members and directors appropriately skilled to discharge their duties. The company number should be provided in Section 1 and copies of the registered Memorandum and Articles of Association should be appended to your application. We will not consider applications that do not have this information attached.

### Information required

#### Capacity and capability to set up a school

Provide details of the members of the company, their particular areas of experience and expertise, and the time they are able to commit to the project.

Show that you have considered the resources, people and skills that you will need to set up a school, and in particular demonstrate that you have educational and financial expertise in your long-term team.

Identify if there are skills gaps within your group / team at present and how you propose to address these if your application is approved. This could be through the involvement of people with expertise as part of the applicant group, through voluntary partnership with a provider, or through having procured this support from another organisation (once your application has been approved and you have agreed support arrangements with the Department).

Set out plans for recruiting your school's Principal Designate (headteacher) and the role you envisage him/her playing in the pre-opening phase. *If you have already identified your preferred Principal Designate you should provide their CV and evidence of their ability to deliver your educational vision and lead your proposed school.* You should be aware that if your application is approved, you will – subject to Departmental considerations – be able to appoint a Principal Designate two terms in advance of the school's opening date.

Set out plans for appointing a committed Governing Body with the breadth of skills needed to oversee both the pre-opening and post-opening phases.



## **Capacity and capability to run a school**

Set out how you will have appropriate financial expertise to oversee the financial management of the school.

Set out your plans for the leadership and staffing of your school (including staff to pupil ratios). This should reflect both the arrangements upon opening and as the school develops to full capacity, with clear delineation of roles and responsibilities.

## **Evaluation Criteria**

Minimum Criteria:

- Company Limited by Guarantee established; and
- Access to appropriate and sufficient educational and financial expertise.

Comparative Criteria:

- The experience of the individuals involved in the project and the time they will be able to commit to it, (where you are relying on external support, you will need a clear plan for accessing that support);
- An adequate staffing structure to deliver the planned curriculum, building up from year 1 to when the school is at full capacity. You will be asked to demonstrate the financial viability of this staffing plan later in the application form in Section 8: Initial costs and financial viability;
- A robust and realistic set of plans for recruiting high quality staff and governors in accordance with your proposed staffing structure and educational plans; and
- Clear understanding of the respective roles of the Company, Governing Body and Principal Designate.

## **Further Guidance**

Companies House:

<http://www.companieshouse.gov.uk/>

Procurement Guidance:

<http://www.education.gov.uk/freeschools/b0073235/procurement-guidance-for-free-schools/>

Governance Guidance:

<http://www.governor.net.co.uk>

## Section 7: Premises

You will need to set out the range of possible site options available for your alternative provision Free School including details of the preferred site. This information is to allow Partnerships for Schools (PfS) to evaluate your site options. PfS are assisting Free School applicants to secure sites.

You are not required to enter into any negotiations for sites and **must not** do so at this stage. Where an application meets the minimum criteria for consideration, PfS will undertake visits to assess proposed sites for their suitability, procurement plans, and consideration of any work required. We will make an overall cost and value for money assessment of your proposed site options. You must be aware, however, that if it proves impossible to identify a preferred feasible site by mid-July 2011, it is highly unlikely that we will be able to approve your application for opening in 2012. You should bear in mind that those applications that are able to achieve the best overall cost and best overall value for money will naturally be prioritised for approval over those that do not.

### Information Required

#### Possible site options

Please provide brief details of the steps you have taken to search for suitable sites and what sites (if any) are available in the local area.

#### Details of your preferred site

Please set out (where you can):

- your reasons for choosing the site;
- the address of the proposed site;
- the current use of the proposed site;
- the current freeholder of the proposed site;
- a brief description of the site including size (in sqm) and the proposed pupil numbers;
- the availability of the site and the nature of the tenure; and
- the suitability of the site for your specific type of provision

You **must not** enter into any negotiations for sites at this stage if you are seeking Government support to purchase your site.

#### Capital investment

Please detail any sources of funding available to you to support site acquisition.

## Evaluation criteria

### Minimum Criteria:

For this section, there are no minimum criteria that must be met at the point of submitting your application; however, please note that if it proves impossible to identify a preferred feasible site by mid-July 2011, it is highly unlikely we will be able to approve your application for opening in 2012, simply because of the time available to do whatever is necessary to prepare the site for the opening of the school.

### Comparative Criteria:

- We will make an overall value for money and cost assessment of your preferred site options. Applications which are able to achieve the best value for money and best overall cost will naturally be prioritised for approval over those that do not.

## Further Guidance

Guidance on accommodation requirements:

<http://www.education.gov.uk/schools/adminandfinance/schoolscapital/buildingsanddesign>.

Partnerships for Schools:

<http://www.partnershipsforschools.org.uk> and  
<http://fsk.partnershipsforschools.org.uk/default.htm>.

This website shows where schools, rather than providers of alternative provision, are located in an area. This may be useful in identifying schools that may want to refer pupils to you.

Database of providers of alternative provision:

<http://www.education.gov.uk/schools/pupilsupport/inclusionandlearnersupport/alternativeprovisiondatabase>.

This website is not a comprehensive list of providers, as registration is not compulsory, but it will give you an indication of the current provision in your local area.

## Section 8: Initial costs and financial viability

You must demonstrate that the cost of establishing your proposed school and bringing it to full capacity represents value for public money, making best use of available resources, while maintaining the school's educational vision and objectives.

You will also need to demonstrate that the alternative provision Free School will be financially viable in the long-term and sustainable within the funding which it is likely to receive. Funding for schools from September 2012 and beyond is yet to be confirmed and is subject to work on the wider reform of the school funding system. While the Department appreciates that most alternative provision, because of its nature, will require funding above the mainstream per pupil funding figures, applicants are asked to first look at the mainstream funding figures for 2011/12 when completing this section. If, after careful consideration, applicants deem that they will require a higher level of funding to provide their specific educational offer, they should clearly demonstrate why. You could support this by consulting local authorities and schools that will refer children to ascertain the funding levels that they would expect the provision you propose to cost. Any higher levels of funding requested are not guaranteed. If your application is progressed to the financial assessment stage, the Department will examine further the value for money of your proposal.

### Information Required

#### Financial spreadsheet and long-term viability

You will need to set out the level of funding required in order for your proposed alternative provision Free School to be financially viable and sustainable. You should set this out as funding for full-time equivalent pupils even if you are proposing part-time provision, as the Department will make value for money assessments based on the full-time equivalent pupil funding. We recognise that, even once the alternative provision Free School has reached steady state, it will still be required to respond flexibly to shifting patterns of local need and to manage in-year admissions. As such, you should demonstrate how the school would remain financially viable during these times.

You should use the **'financial plan template- alternative provision' spreadsheet** ([www.education.gov.uk/freeschools](http://www.education.gov.uk/freeschools)) provided as a framework to enable you to build up indicative income and expenditure academic year budgets for the proposed school from opening until pupil numbers are forecast to have reached steady state. You should ensure it covers a minimum of five years.

The 'financial plan template-alternative provision' spreadsheet must be used for all alternative provision Free Schools. You should start from the assumption that you will receive mainstream per pupil funding for the relevant phase, using

the number of full-time equivalent pupils averaged over the year. If you consider that you will require more funding to provide your specific educational offer for that phase, use the separate income line to include your best estimate of your additional requirements. You will need to provide a full and detailed explanation of how you have assessed your funding requirements within your application. This should include any relevant benchmarks and sources of information that would justify the level of funding sought and a clear rationale for why you require a higher level of funding in order to deliver your educational offer. For 16-19 provision you should use the 16-19 ready reckoner and should not expect to receive additional funding. Instructions for completing the spreadsheet are contained within it.

Your application should also include detailed assessment of how you would manage your budget and remain financially viable in the following scenario: the school's intake is 10% lower, in terms of pupil numbers, than the number at which you would be financially viable, and the school's funding is amended to reflect this drop in intake. You might find it best to provide this as an amended version of the financial spreadsheet.

If you are assuming significant income from sources other than DfE grant e.g. third party contributions, you should provide a detailed assessment of how you would manage your budget and remain financially viable if these contributions were significantly less than expected. You might find it best to provide this as an amended version of the financial spreadsheet.

There may be uncertainties in some parts of the budgets. In these areas, you should use your current best estimates, referenced to established benchmark information where available. You should state clearly the assumptions which you have made in the appropriate place in the financial template.

Companies Limited by Guarantee, known also as Academy Trusts, are not permitted by their Funding Agreement to enter into borrowing arrangements without the specific approval of the Secretary of State. Such approval may only be granted in limited circumstances. Academy Trusts are not permitted by their Funding Agreement to carry over excessive balances (presently 12% in total, of which 2% can be revenue). Your financial plans should not therefore be predicated on your school being able to borrow or to carry over significant balances of funding from one year to the next.

Your completed financial template(s) should be submitted alongside your main application.

### **Start-up funding**

Start-up funding is intended to enable a new school to cover essential costs when the school opens, such as employing a headteacher and buying books and equipment, where these costs could not otherwise be met by the per pupil funding initially received. While policy for alternative provision Free Schools is still being developed, we expect start-up funding to be provided in a similar way

to mainstream Free Schools, but for a maximum of two years. Start-up funding guidance and a template are included in the financial spreadsheet to allow you to see how much of this funding is likely to be needed by your alternative provision Free School proposal. Most elements of start-up funding are calculated on a formulaic basis. This is based on the number of pupils the school will have.

**Formulaic** elements of start-up funding include funding for books, materials and equipment, post-opening recruitment costs and some initial staff training. These formulaic elements will automatically complete in the financial spreadsheet once you have entered pupil and teacher number information.

There may also be some funding available to meet the costs of employing staff when the school opens and before it is operating at steady state. This will depend on the way the pupil numbers are building up and which staff are essential for the school to be able to operate. The **staffing diseconomy** lines of the spreadsheet are blank for you to complete, so you will need to estimate how much diseconomy funding your school will need as a minimum while building up your pupil numbers. Diseconomy funding should reduce proportionately in the second year after opening as pupil numbers build up and will not be available after the second year.

Please note that existing providers becoming Free Schools will not normally be eligible for start-up funding.

### **Prior year audited financial statements (existing providers only)**

Existing providers seeking to become alternative provision Free Schools should submit their last two years' audited financial statements with their completed application form. We would normally expect to receive an up to date set of audited accounts before we can approve your application. If you are unable to provide audited accounts please explain why, and supply an alternative.

## **Evaluation Criteria**

Minimum Criteria (alternative provision Free School applications will be assessed against these criteria during the financial assessment stage. Before this assessment, applicants may have the opportunity to produce further financial information in light of the recommendations of the school funding review).

- Demonstrate that the proposal to establish the school represents value for money in the use of public funding - any additional funding considered necessary e.g. staffing diseconomies, and any formulaic start-up funding, should be kept to the absolute essential items to provide a balanced budget whilst ensuring that the educational vision of the school can still be delivered; and

- Demonstrate that the planned school will be financially sustainable from the beginning of the third year (as an expectation, this means generating in-year operating surpluses).

#### Comparative Criteria:

- Show that the planned school would be financially resilient to reductions in income caused by failure to recruit pupils to your best estimate recruitment pattern or failure to receive contributions from third party sources (where these are expected to be significant) - as a minimum, this means demonstrating that there is sufficient flexibility in the budget so that the school will be able to realistically change its expenditure to keep within reduced levels of income, without detriment to the delivery of the educational vision;
- Financial plans that are consistent with other aspects of the application and are based on supportable and realistic assumptions about the demand for places; and
- For existing providers, show that the existing provider has a good track record of financial management and that there are no other existing financial issues which would impact on the transfer to Academy status.

### Further Guidance

Academies Financial Handbook:

[http://readingroom.ypla.gov.uk/ypla/ypla-academies\\_financial\\_handbook-gn-nov06.pdf](http://readingroom.ypla.gov.uk/ypla/ypla-academies_financial_handbook-gn-nov06.pdf)

Visit the Schools Benchmarking website to see examples of maintained school finances:

<http://www.education.gov.uk/schools/adminandfinance/financialmanagement/a0014737/financial-benchmarking>. While some of the information will not be applicable to alternative provision, many of the costs will apply when running any type of school.

© Crown Copyright 2011

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or e-mail: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).