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Project template

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|------------------------|--|--------------------|-----------------|
| Recommendation: | Approve re-brokerage of Gloucester Academy to The White Horse Federation | Version: | 14 January 2015 |
| | | Author: | |
| Is AO required? | No | Cleared by: | |

| | |
|--|---|
| Project name (URN), LA | Gloucester Academy (136199), Gloucestershire |
| Name of sponsor and sponsor grading | The White Horse Federation, (B) |
| Academy type and route | <p>Open sponsored academy being re-brokered from Prospects Academy Trust (PAT) to The White Horse Federation (WHF).</p> <p>Part of a combined financial package, also covering re-brokerage of Peak and Greenfield Academies from AET, to WHF (all three in special measures) to create a Gloucester hub.</p> <p>Exceptional project funding of £277k is being sought to address the immediate changes necessary at GA and the setting up of the Gloucester hub. This case should be viewed as part of a package with Peak and Greenfield – for whom we are seeking £118k (combined total of £395k project funding).</p> <p>GA is in deficit, and Peak and Greenfield are expected to be in deficit by 2015-16 AY. EFA have agreed a total package of exceptional non-repayable grant (£210k) and Repayable Grant (£474k) for Gloucester Academy. EFA have also agreed to defer the academy's repayment of £300k in historic overpayments and an estimated £288k 2014-15 over-payments until 2016-17 AY. These overpayments are a result of the academy's over estimation of pupil numbers.</p> |
| Proposed open date | 1 March 2015 |

General information

| | | |
|--|-------------------------------|--|
| School phase: Secondary | Age range: 11-19 | School type: Sponsored open academy |
| NOR (% full): 857 (69% full) | Capacity: 1250 | PAN: 210 (Y7), 100 (Y12) |
| PFI?: No | Viability issues?: Yes | Deficit?: Yes (see issues) |
| Diocese % G or O: | | |
| Distance: 33.1 miles (1 hour drive) between WHF Head Office in Swindon and GA | | |
| MP: Richard Graham | | |

School Performance

| | |
|--|-------------------------------------|
| Ofsted judgement (date): Special Measures (4), 1 April 2014 | Current framework?: Yes |
| Achievement of pupils: 4 | Quality of teaching: 4 |
| Behaviour and safety: 4 | Leadership and management: 4 |

| Attainment | KS4 % 5+ A*-C GCSE including English and maths (with equivalents) | | | | | | 2014* KS4 (%) progress | |
|---------------------|---|------|------|------|--------------------|--------------|------------------------|----|
| | 2010 | 2011 | 2012 | 2013 | 2014 on 2013 basis | 2014 /actual | Eng | ma |
| LA mean avg. | 60.1 | 62.9 | 62.3 | 61.8 | NA | 59.8 | 71 | 69 |

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|--|----|---------|---------|---------|-------|------------|----|----|
| Nat. mean avg. (EBacc) | 54 | 59 (15) | 59 (16) | 60 (23) | NA | 52.6 (22) | 71 | 65 |
| School/PP | NA | 32/29 | 30/29 | 28/18 | 40/NA | 37 / NA | 66 | 45 |
| EBacc/PP | NA | NA | 1/0 | 3/3 | NA | 4/1 | | |
| Nat median avgs (for floor std) | | 40 | 40 | NA | | 40 | | |

| Project funding | |
|--|------------------------|
| Deliverable | Forecast (£) |
| Project Management | Included in line below |
| Education advice & development of educational plan, curriculum, staffing structure and policies (redeployment WHF staff to set up hub - Managing Director, Director secondary education, Assistant head, Finance Director) | 94,385 |
| Legal services | 25,000 |
| Communications and marketing support (including uniform) | 22,000 |
| Consultation services | 3,000 |
| HR and recruitment services (incl. TUPE) | 6,900 |
| Financial management and advice | 6,375 |
| Appointment of key staff, including redundancies at GA finance dept | 66,000 |
| Financial and management information systems, to align with WHF | 28,420 |
| Other (e.g. ICT systems, project contingency allocation) | 25,398 |
| Total: | 277,478 |

Rationale for project:

Gloucester Academy (GA) opened in September 2010 as a standalone trust, created from two schools: an all boys' school and a mixed school (Bishops College and Central Technology College). The co-sponsors were Prospects Services and Gloucestershire College. Both predecessor schools had a long history of low attainment. In October 2012, Ofsted judged GA as inadequate with serious weaknesses. Results continued to decline after this Ofsted judgment and in October 2013 Ofsted found that the school was not making enough progress. Results in 2013 dipped again [REDACTED]. As a result, Lord Nash issued first a pre-warning notice, and then a warning notice in December 2013.

In April 2014 GA moved into Prospects Academies Trust [REDACTED]

[REDACTED] in April 2014 the school was again rated as inadequate and placed into special measures. One month later, the academy's sponsor, Prospects Academies Trust, announced its intention to wind-up. We have since been seeking a new, strong sponsor to take on this school. Prospects Academies Trust have agreed to continue operating until 31 March 2015. As a result, it is vital that transfer is agreed as soon as possible.

Governance :

Local Governing Body (LGB): GA's principal has started to put in place a Local Governing Body. WHF have observed 2 LGB meetings [REDACTED] which includes individuals with a legal and local authority background as well as experienced governors.

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The LGB will have two additional WHF representatives.

Delegated powers: The LGB will have no delegated powers at this time and at least until the removal of GA's special measures designation.

Representation on the WHF board of directors: The LGB will elect a Chair who will sit on a recommending group of fellow WHF academy LGB chairs. In turn, one member of this group is elected to act as Ex-Officio Director on the WHF board.

Feeder links: None at the moment, but WHF see GA as the core of a new Gloucestershire hub. They are talking to local good primaries who may be interested in joining and will be able to create links with Peak and Greenfield, should they also join.

Rationale for sponsor:

WHF have been identified as a High Potential Sponsor. They have the capacity to expand and are keen to create a new Gloucestershire hub. Although their background in Swindon is in Primary and EBD, they have also brought Ridgeway secondary school into their MAT and have recruited both a school improvement and leadership governance leads to manage the new Gloucestershire hub

GA's new Principal, Showk Badat, has made a positive impact at the school since his appointment in February 2014. 2014 results have improved from 28% to 37% 5 ACEM. [REDACTED]

[REDACTED] There is, however, a long way to go to ensure these improvements are secure. It is felt that joining a sound MAT such as WHF will provide the degree of financial oversight missing during PAT's tenure. It will also provide for direct management of the Principal and will ensure his visionary schemes are rooted in solid, affordable practice.

GA leaders have visited Ridgeway School in Swindon, the secondary partners in the WHF. [REDACTED]

RSC view on sponsor match: This was agreed at HtB on 20 October 2014. [REDACTED]

Risks and issues:

Viability/Deficit: GA have undertaken full due diligence of GA's financial situation, which is weak. [REDACTED]

[REDACTED] Student numbers in post 16 are low and the sixth-form may not be able to continue. Pre-16, however, while there is some reduction in pupil numbers the academy is viable and the places are definitely needed.

Financial package / sponsor concerns: See annex for EFA's support package. [REDACTED]

Sponsor withdraws: WHF need a Gloucestershire cluster to make their model work. Given the proximity of Prospects' closure, we would prioritise a solution for GA [REDACTED]
[REDACTED] We have undertaken to try and identify primary schools to join GA [REDACTED]

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[REDACTED] If this happens, there is not time to find a new sponsor before Prospects winds-up [REDACTED]

Free schools: interdependencies with FS/Studio School/UTC projects and applications? No

Has an Equalities Impact Assessment been considered?

Yes - but no changes to the age-range, religious character or admissions policy are proposed.

Gloucester Academy School Budget Information

Revenue carry forward at end-August 2014 (estimated): this includes capital balances

-£217,164

**Projected revenue balance at end-August 2015:
this includes capital balances**

£99,846

If revenue deficit, give reasons and if more than 1% of total annual revenue budget, note remedial action: The academy's financial situation is a result of historical over-estimates of pupil numbers in 2010/11 and 2011/12 – as well as residual 'retention costs' totalling £210,000 from the academy's capital new-build.

To address this deficit, the EFA are seeking approval for a joint Gloucester Academy and Peak & Greenfield financial support package comprising of:

- £210,000 non-repayable grant
- 474,000 repayable grant
- Deferral of £588,000 Pupil Number Adjustment claw-backs until 2016-17 academic year

Gloucester Academy 2014-17 finance plans:

| Revenue & capital balances (£): | 2014/15 budget £,000 | 2015/16 budget £,000 | 2016/17 budget £,000 |
|---|-------------------------|-------------------------|-------------------------|
| Total Allocation and Income | 6,358 | 5,945 | 6,311 |
| Revenue Gross Expenditure | 6,060 | 6,238 | 6,455 |
| Revenue Balance In Year | 317 | 5 | 154 |
| Revenue Balance Brought Forward from previous year | (217) | 100 | 110 |
| Revenue and Capital Balance Carried Forward to following year | (667) | (657) | (503) |

Supplementary Information

| School Pupil Forecasts (PAT figures) | | | | | | |
|--------------------------------------|----------|--------|----------|--------|--------------------|--------|
| | Pre-16 | | Post-16 | | | |
| | Capacity | Number | Capacity | Number | Total Pupil Number | % Full |
| Current AY (2014/15) | 1050 | 786 | 200 | 71 | 857 | 69 |
| 2015/16 Forecast | 1050 | 783 | 200 | 80 | 863 | 69 |
| 2016/17 Forecast | 1050 | 830 | 200 | 105 | 935 | 75 |
| 2017/18 Forecast | 1050 | 884 | 200 | 125 | 1009 | 81 |

Note: This should include the number of pupils needed to break even if there are budget issues.

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