GRANTS DETERMINATION SUB-COMMITTEE		
May 2017		
Report of: Debbie Jones, Corporate Director, Children's Services	Classification: Unrestricted	
Update on Progress of the Tower Hamlets Education Partnership (THEP)		

Lead Member	Councillor Rachael Saunders, Cabinet Member for Children's Services
Originating Officer(s)	Christine McInnes
Wards affected	All
Key Decision?	No
Community Plan Theme	A fair and prosperous community

## **Executive Summary**

Local authorities have a clear moral responsibility for securing good educational outcomes for the children living and/or resident in their borough. Historically, central government has supported this work through a variety of grants and funding streams. These are now being significantly reduced and, creating an imperative that we look to new ways of securing high quality outcomes for all children.

There is significant national and international evidence that schools taking responsibility for their own improvement in a peer-led system, can bring gains beyond those seen in local authority led structures. The Council has set aside £900,000 as recommended by Cabinet and agreed with.

The paper asks that the progress in setting-up the local model is noted, and describes how future accountabilities may be properly discharged, subject to the approval of the Grants Determination Sub-Committee.

#### Recommendations:

Grants Determination Sub-Committee is recommended to:

- Note the progress made on establishing the Tower Hamlets Schools Education Partnership (THEp);
- Affirm its continuing support for the schools-led Partnership, noting the procedures recommended for future release of funds;
- Note the Council's section 151 Officer's role in relation to the release of future tranches of funding;
- Note and agree the proposed support and oversight model given in paragraph 3.10;
- Comment on the proposed Memorandum of Understanding between the Council and the Tower Hamlets Education Partnership given as appendix 1;
- Note the Council's duties as a 'supervising authority' under The School Company Regulations 2002 and delegate to the Corporate Director, Children's all necessary powers in respect of these duties; and,
- Note the staffing structure proposed by THEP.

## 1. REASONS FOR THE DECISIONS

Local authorities have a clear responsibility for securing good educational outcomes for the children living and/or resident in their borough. Historically, central government has supported this work through a variety of grants and funding streams. These are being significantly reduced and, at the same time, central government is suggesting that we look to new ways of securing high quality outcomes for all children, with schools themselves placed in the position of systems leaders.

There is significant national and international evidence that schools taking responsibility for their own improvement in a peer-led system, can bring gains beyond those seen in third tier (eg local authority) led structures. The Council has therefore set aside £900,000 to support the establishment of a schools-led partnership, the intention being that this partnership takes-on the obligation of ensuring a high performing local school system.

£300,000 of this money was released to THEP in 2016. The Council committed itself to two further tranches of £300,000 to ensure the Partnership is fully established and this paper provides assurances that the model as being developed is sound and will provide good value for residents.

The paper asks that the progress in setting-up the local model is noted, supports the release of further monies, and describes how future accountabilities may be properly discharged.

## 2. **ALTERNATIVE OPTIONS**

1. The only significant alternative option would have been to retain these processes and systems in-house, or to contract them in from the private or voluntary sector. The former is no longer affordable in the present climate: the latter brings with it significant risks of losing high quality staff and the discontinuity that would imply, and would possibly be a more expensive option, and so could not be recommended.

## 3. <u>DETAILS OF REPORT</u>

3.1 Cabinet agreed in 20016 that, to ensure a culture of continuous school improvement, and in the face of further significant reductions in ear-marked Council budgets for Education by Central Government, a move to supporting a school-led system would be in the best interests of children and families in the Borough. Cabinet further agreed that this was well supported by evidence.

- 3.2 Accordingly, the following decision was taken by Cabinet on 12<sup>th</sup> May, 2016
  - To welcome the establishment of the Tower Hamlets Education (THE)
     Partnership and the potential of its role in establishing a school-led system of
     improvement which adds value to the whole Tower Hamlets' education
     system;
  - To ask the Corporate Director for Children's Services in consultation with the Director of Law, Probity and Governance to consider which of the Council's current school improvement services might be delivered from THE Partnership in 2017 and identify appropriate mechanisms accordingly;
  - 3. To endorse the role of the Council in education, as set out in (paragraphs 3.24 3.38), of this report and to ask officers to explore how the Council's partnership and scrutiny function might develop in support of this role;
  - 4. To ask THE Partnership to report on progress towards these outcomes in a comprehensive annual review of the quality of education in schools in Tower Hamlets, with the first report to be produced in November 2016;
  - 5. To agree that the Council establishes an earmarked reserve from general fund balances of up to £300,000 per annum to THE Partnership for a period of three years to enable it to become self-sustaining and to maintain a tight focus on improvement, as evidenced by progress in the outcomes described in paragraph 3.32 of the report; and
  - 6. To agree that THE Partnership is able to receive services in kind from the Council in support of its progress towards sustainability.
- 3.3. This was reflected in the findings of the Commissioners Determination of grant on 24th May 2016 where it was resolved:
  - 1. That a grant to the Tower Hamlets Education Partnership of up to £300,000 per annum from the Council for a period of three years, be approved in principle, to enable it to become some sustaining and to remain in tight focus on improvement, as evidenced by progress in the outcomes described in paragraph 3.1.
  - 2. That a grant to the Tower Hamlets Education Partnership of £300,000 for 2016/17 to cover the costs of the organisation's infrastructure in the first year of operation as outlined in paragraph 3.8 be approved, under the conditions that £150,000 released (up on the appointment of the finance director to the interim board) to enable the initial setup and recruitment. This would be released following approval of a delegated report to Commissioners; and a further £150,000 released once the company is established; has a critical mass of members, has produced for approval a robust business plan with defined performance outcomes for each of the three years. This would be released

- following a full report via OSC to a Commissioners Decision making meeting and
- 3. That Commissioners consider a further report in September 2016, regarding the Tower Hamlets Education Partnership's three-year business plan and the arrangements for years two and three, prior to the release of the second £150,000 grant funding for the first year.
- 4. That Commissioners' recommendations/requests made at the meeting be undertaken by officers.
- 3.4 Since the support was agreed, the Partnership has been very active, appointing a chief executive and Board. A finalised Membership offer is now available and may be seen here https://the-partnership.org.uk/membershipThe conditions given in the Commissioners' Determination were met fully. To date, the Partnership reports the following progress:

91 schools have now joined up as members and many are working closely with the Executive Director to shape the offer and contribute to the delivery. Member schools are represented on an Interim Advisory Council and a sub group of governors from this Council are working to develop and strengthen a governor role within the school improvement work of THE Partnership.

Current membership would yield £191,357.00 from a total of 38841 pupils. We are currently assuming that all members will move over to the paid membership.

To support schools and governors in particular in understanding the offer we are running 4 workshops during March for Headteachers and governors to attend and ask questions.

THE Partnership is now registered as a Schools Company, supervised by the local authority, and has applied for Charity status.

An administrator has been appointed to support the work of the Executive Director

Following extensive consultation with schools, THE Partnership has published its Membership Offer. This is in two parts; the services that schools will receive as members (the core offer) and those which they can purchase in addition to the core offer (add-ons) and which will provide bespoke additional school improvement services to their school.

THE Partnership has established a strong model of School Improvement that will provide support and challenge to schools and ensure that there is robust risk assessment of schools on a regular basis that informs brokering of appropriate interventions and improvements as necessary

THE Partnership has engaged member schools in consultation around the delivery model of the core offer, including arranging a seminar on Peer Review, an Early Years network to address pedagogy and assessment at this level and a small schools network with a focus on financial advice and guidance

In addition to the Subscription, take up for the primary traded services is generally excellent with a projected income from service level agreements in the order of £350,000. Additional monies will be available through contribution to the core activities of the Partnership.

The Secondary team will be used in the summer term to deliver services with funding understood to end from 31<sup>st</sup> August 2017. This activity is covered by agreed funding through Schools' Forum.

A website has now been established that will grow to provide schools with useful and relevant information that will support good school improvement practices and which publicises a comprehensive package of training run by and for schools

Regular newsletters are being published to provide members with updates and training information

At the Partnership AGM on 16 March 2017, the Interim Board was replaced by an elected Board and will continue to provide scrutiny and challenge to the work of the Executive Director. The same meeting discussed the business plan.

There is currently a 'high' level of interest in Peer Review - following a seminar school to school learning planned for <u>22nd March</u> there should be a better idea of engagement but this forms a key part of our strategy to avoid failure in the future.

- 3.5 In agreeing to transfer responsibility for school improvement, Officers were required to investigate how best this might happen to complement and support the proposals from the Partnership. The model of school-led improvement is now common across the country and, broadly, three models exist:
  - Establishment of a standalone company outside of local authority pay and conditions. This allows staff to be employed on terms outside of those typical in local government and staff may not be able to access the Local Government pension Scheme. These can bring significant reductions in costs and are the model for many outsourced Education departments, as well as the model underpinning multi-academy trusts (MATs) (eg The Octavo Partnership in Croydon);

- Establishment of a 'Schools Company' as described by the Education Act 2002 which is an organisation led by schools but for which the local authority holds a somewhat undefined *supervisory role*. At their best, these allow the retention of local government terms and conditions but the day-to-work is controlled and directed by headteachers or their representatives (eg as established in Hertfordshire – Herts for Learning); or,
- 3. Establish a 'shadow company' within the local authority, in effect, little more than a standalone department of the Council, retaining Member oversight (eg as established in Hackney and Camden).

Cabinet agreed to establish an organisation based on model 2. The Council received notification of its incorporation on 3<sup>rd</sup> February 2017 and has confirmed it is content to take-on the role of the Supervising Authority as required by the Education Act 2002. The responsibilities placed upon the Council from endorsing this model are covered in section 5 below.

- 3.6 To facilitate the establishment and sustainability of the Partnership, discussions have been underway as to the best mechanism for the transfer of staff, and, if indeed, this is even necessary. It has been agreed that initially at least, staff would remain employed by the Council, and therefore any risk remains with LBTH. However, to promote new ways of working with schools, we would look to facilitate joint tasking in the coming year, with a decision on a more permanent staffing arrangement taken in-Year, subject to business and legal considerations. In practice, this means the team will still be subject to Council line management and our terms and conditions of employment.
- 3.7 Transfers are being explored in a phased manner so that staff can be fully engaged and ensuring that our very capable and well-regarded staff do not leave as a consequence of any uncertainty. This arrangement can function for some time, but certainly up to two years. The Council is very conscious that it does nothing to destabilise THEP in its early years and so will pay particular attention to staffing issues.
- 3.8 Discussions have been had with the **Primary Partnerships** team, formerly the Primary Learning and Achievement Team; its secondary counterpart; and Governor Services. No staff transfers of employment are presently planned. However, changes to funding mechanisms mean that decisions have been made necessarily elsewhere to exclude the **Secondary Learning and Achievement Team** from these considerations. As a consequence, it is likely that the secondary team which historically had been funded entirely through the Dedicated Schools Grant (DSG) and so in the gift of Schools' Forum, will be deleted from the Council's structure following a decision to cease supporting it.
- 3.9 **Governance** plays a key role in school effectiveness and Council provided £312,000 support to this service in 2016/17. This allows the governor services team to play a wider role in school development, including promoting the fullest possible community engagement in the governance of Tower Hamlets'

schools. The grant from Central Government that underpins this support has been reduced significantly, however, and so Future arrangements may need to be different. Accordingly, the Council is not yet in a position to move this area across to the Partnership although this may change.

## 3.10 Accountabilities

The release of the first tranche of funding was in response to a business plan agreed with, and signed-off by, Cabinet as detailed above. As we move forward it is more appropriate that the oversight of the work of the Partnership is placed within the Council's existing partnership structures. The Children and Families Partnership Board, although established as a consequence of Every Child Matters in 2003, continues to provide a valuable forum for such groups. It is proposed therefore to establish a sub-group to oversee and provide support to THEp, minimising the reporting requirements on the organisation, but ensuring proper accountability through existing constitutional mechanisms.

The Children and Families Partnership Board will not be a member of the THEp. The proposed sub-group of the Children and Families Partnership Board would be a small, focused group with the aim of being a mutually supportive group to both the THEP and CFPB. There would be two-way support and accountability and the memorandum of understanding between the THEP and the local authority would be the basis of the focus of activity. At the outset the sub-group will need to identify the outcomes it expects to achieve and then hold each other to account against delivery of those.

Priority 13 of the Children and Families Plan is to "Strengthen partnership working in education". The Partnership Board has a responsibility therefore to ensure that it has oversight of the work of the THEP and is clearly able to monitor and oversee its work.

#### Proposed Membership

The Chair will be the Cabinet Lead Member for Children's and Community Services, Cllr Rachael Saunders.

Other members could include:

- Director CS
- Service Head Education & Partnerships
- THEP representative\*
- Headteacher/TH College rep
- CCG
- Voluntary sector
- S.151 officer or her representatives

\*To be consulted on who else they feel would be of benefit to include in the group membership.

This group is proposed to meet twice a year, April and October, and its agenda will be in response to the agreed strategic plan. Terms of reference

will be agreed by the CFPB, taking into account any feedback from the various Boards and Committees presently engaged with THEP. It is anticipated that the first meeting, in April, will scrutinise the developing five year outline business plan for 2017-2023 as well as receive a report on progress to date.

# 3.11 Memorandum of Understanding (MoU)

In agreeing to support the establishment of the schools-led Partnership, Council accepted the principle that we should agree with schools a series of outcome measures and monitor their achievement, rather than expect regular reporting on operational matters to a varied number of Council committees and groups.

However, the Council retains its statutory responsibilities: it is merely engaging with the Partnership to secure their delivery as it would with any other contractor, and so formal arrangements are important. In Law, these responsibilities are invested in the statutory Director of Children's Services, Ms Debbie Jones, and through her, to the statutory Lead Member for Children, Ms Rachael Saunders.

A Memorandum of Understanding between the Director and the Partnership is therefore under development to ensure these responsibilities and accountabilities are fully considered and understood. That MoU is shown at appendix 1 and the Mayor and his Cabinet are invited to comment on it.

The MoU requires two formal reports from the Partnership each year, one of which should include an audit report, allowing the Council to discharge its supervisory duty over the Partnership as a statutory 'Schools Company'. It is at this point that the formal roles of the section 151 officer and the Corporate Director, Children's, will be discharged, ensuring that the Partnership is financially viable and meeting the requirements of a supervisory authority as detailed in the legal comments. No further Reports are requested at this stage as it is anticipated that these two together will be sufficient for the various reporting structures. Further Reports may be required of officers, however, and this reporting schedule is yet to be agreed.

## 4. COMMENTS OF THE CHIEF FINANCE OFFICER

A separate reserve has been established to provide the support agreed by the Cabinet. In order to release further tranches of this reserve the CFO will need to be satisfied through the provision and evaluation of the financial information set out in paragraph 3.11 that the partnership continues to be viable and the investment of the resources represents value for money.

There are a number of assumptions set out in the business plan which comprises the Strategic Plan (outcome objectives) and Financial Plan with associated narrative. These are by necessity indicative at this stage and the CFO will want to be assured of the robustness of those estimates once The

Partnership operates and prior to the release of further tranches of resources as set out above.

In particular the income yield from schools is based on 80%-85% of the total *pupil numbers* participating, which means the assumption is very sensitive to a relatively small number of schools not participating. With that in mind the annual increase in the per pupil rate is also significant being 14%, 13% and 11% between 2018/19 2019/20 and 2020/21 respectively. By 2020 this source of income will represent around a third of the partnerships total income. This needs to be considered in the context of the overall pressures on school budgets.

The business plan refers to the agreement of the Council to 'underwrite' the pensions liability of THeP however, it should be understood that this is on the following basis:

- The liabilities of those staff transferred will be fully funded by pension Fund assets at the point of transfer;
- Thereafter the partnership will continue to pay the same future service rate as the Council;
- Any surplus or deficit, including on termination, will be to the account of the Council, however:
- Unless otherwise agreed in advance by the Council, the partnership will retain responsibility for any additional liabilities created above those allowed for by the Actuary in the calculation of the future service rate, such as:
  - Pay increases in excess of normal local government levels
  - Augmentations or increasing a member's period of membership
  - Redundancy / Early retirement cost
  - Exercise of employer discretion
  - Ill health retirements

## 5. LEGAL COMMENTS

5.1 This report essentially seeks to note progress made by the Tower Hamlets Education Partnership (THEP) further to it being grant awarded the sum of £900,000.00 on 24 May 2016 by way of a Commissioners' Decision (Grant Decision).

## **Continuing Support for THEP**

5.2 It should be noted that the Secretary of State made further directions on 16<sup>th</sup> January 2017 pursuant to sections 15 (5) and 15 (6) of the Local Government Act 1999 which provided that the grant functions will revert to the Council from 1<sup>st</sup> April 2017. The Grants Determination Sub-Committee was constituted under section 101(5) of the Local Government Act 1972 (LG Act 1972). As such it is appropriate that it notes progress made by THEP for the subsequent two years of funding allocations in order for the Council to discharge its duties

under section 3 Local Government Act 1999 in relation to best value (the Best Value Duty).

#### **Council's Duties**

- 3. It should be noted that the power for schools to form companies is derived from section 11 of the Education Act 2002 which is supplemented with detailed rules in the form of the Schools Companies Regulations 2002 (SCR 2002). The SCR 2002 requires the Council to act as THEP's 'supervising authority' (SA). In the light of this, the Council will have certain responsibilities under the SCR 2002 which are detailed as follows:
  - 3.1. notifying the Secretary of State of its designation as the SA within 28 days and detailing the members of THEP together with its formal registration details;
  - 3.2. monitor the management and finances of THEP and notify its members if the Council considers that the THEP is being poorly managed or if there is a risk of it becoming insolvent;
  - 3.3. notify the Secretary of State within 28 days if THEP's registered membership details changes and if the Council ceases to be a relevant local education authority; and
  - 3.4. notify the Secretary of State if a notice is provided by THEP of it ceasing to remain as a schools company.
- 4. In addition to the various duties the Council is obliged to perform as the SA, the Council has numerous powers under SCR 2002 in respect of:
  - 4.1. requiring THEP to provide information pertaining to its governing documents, finances and contracts;
  - 4.2. directing THEP to comply with the SCR 2002; and
  - 4.3. directing a governing body to reduce its involvement in THEP or resign.
- 5. In the event that the Council wishes to exercise any of its duties and powers under the SCR 2002, legal advice should be sought accordingly.

## THEP's Duties under the SCR 2002

5.6 It should be noted that THEP has duties pursuant to the SCR 2002 to provide audited accounts within its first 10 months of operation covering the first 6

months and thereafter, provide annual audited accounts and copies of changes made to its constitution as and when they occur.

## Oversight Model and Memorandum of Understanding (MoU)

- 5.7 Paragraphs 3.10 of this report details the future governance arrangements. In respect of the Children and Families Partnership Board (CFPB), it may be appropriate for it to monitor and oversee deliverables from THEP. However, it should be noted that CFPB appears to have no delegated or decision making powers as it is not constituted as committee or sub-committee pursuant to section 101(5) of the LG Act 1972. In light of this, it would be advisable for the Corporate Director, Children's to be a member of CFPB and exercise existing delegated powers provided for by Scheme of Management - Part A: Corporate Delegations, Part 8.3 Children, Schools and Families Directorate Delegations and Chief Officers powers under 3.5.1 of the Council's constitution. In the same vein, it would be appropriate for the Council's section 151 Officer to review the 'annual roll forward business plan' for the purposes of the Council's Best Value Duty and in conjunction, discharge the Council's duties as the SA under the SCR 2002. The respective roles could be performed within the auspices of the CFPB thereby avoiding duplication but importantly, ensuring that the appropriate levels of scrutiny and accountability are undertaken accordingly. However these roles could equally be exercised by the relevant officers outside of the CFPB.
- 5.8 It is noted that a MoU has been proposed in respect of the Council's dealings with THEP. In light of the various duties and powers highlighted above, the MoU may not add value given that obligations are statutorily prescribed. However, if the MoU is intended to essentially detail the visions of collaborative working, it would be acceptable to retain the MoU although it has no legal effect.

## **Staffing Arrangements & Pensions**

- 5.9 It is indicated that, for the time being, the employment of staff providing the service will not be transferred to THEP but will remain with the Council. It will therefore be necessary for a formal secondment arrangement for transferring staff to be drawn up for the duration of the period that the staff remain in the Council's employment to ensure continuity of service and that employment terms are maintained.
- 5.10 If there is to be a change in staffing levels from the existing teams which currently carry out this work, a redundancy situation may arise which will require consultation with the affected employees and the Council will need to follow the requirement of the Handling Organisational Change Procedure.
- 5.11 If and when it is decided to transfer the employment of the Council staff to THEP, the Council will have to have regard to the requirements of the

- Transfer of Undertakings (Protection of Employment) ("TUPE") Regulations 2006 (as amended).
- 5.12 Whilst staff remain employed by the Council their pensions will remain with the LGPS or TPS but if transferred to a different employer, the new employer has a duty to provide a broadly similar pension scheme for the transferring employees (and can apply for admission status to the current pension fund provided certain terms are met). The Chief Financial Officer has set out the considerations that underpin pensions arrangements for a employing body.

## **Best Value Duty**

5.13 The Council's Best Value Duty has been noted above and specifically, it requires that the Council "to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness." The Council would need to be satisfied that THEP's progress represents value for money further to the initial Grant Decision and for clarity, it is a continuing duty for the duration of the grant funding period.

## **Equality Act 2010**

5.14 When considering its approach to contracting, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). Officers are expected to continuously consider, at every stage, the way in which procurements conducted and contracts awarded satisfy the requirements of the public sector equality duty. This includes, where appropriate, completing an equality impact assessment which should be proportionate to the function in question and its potential impacts.

## 6. ONE TOWER HAMLETS CONSIDERATIONS

1. The programme of work under development by the Partnership will continue the very good progress made by our schools over the years, supporting the development of the Community Plan and building through the work of our schools better community cohesion.

# 7. BEST VALUE (BV) IMPLICATIONS

7.1 The Best Value duty requires the Council to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectives. The partnership model would appear to reflect best practice evidence from national and international reviews of school improvement. In the light of very significant reductions in funding for education functions from central government, a schools-led partnership offers a cost effective way of ensuring all Tower Hamlets schools are good or outstanding schools. Schools that are

not Members of the Partnership may be constrained in how they utilise its offer unless they too go through a best value process before awarding contracts to the Partnership. This is a matter for individual governing bodies on whom the duty rests. Schools are aware of this fact.

## 8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

1. Not applicable.

## 9. RISK MANAGEMENT IMPLICATIONS

The Partnership leadership meets regularly with the statutory DCS and maintains a risk register that drives those meetings. The reputational risk to the Council of any of our schools failing is significant and, at present, there are no maintained schools in special measures. The management of this risk is contained within the Partnership agreement and progress to ensuring it is secured is carefully monitored through the joint meetings structure.

## 10. CRIME AND DISORDER REDUCTION IMPLICATIONS

1. Generally, well-educated young people are less likely to commit crime or disorder and so the achievement of the outcomes specified in the original proposal from the Partnership reduce that risk.

## 11. SAFEGUARDING IMPLICATIONS

1. It has been axiomatic in the Borough for many years that the best protective factor for the vast majority of our children is a high-quality education, and the Partnership understands this as a key driver. However, our statutory safeguarding duties with regards to schools are not contained within the Partnership arrangements and continue to be delivered through our social care services.

# **Linked Reports, Appendices and Background Documents**

## **Linked Report**

 Needs link to first Cabinet report (12<sup>th</sup> May 2016) and Commissioners' Decision 24<sup>th</sup> May 2016

# Memorandum of Understanding Between The London Borough of Tower Hamlets and The Tower Hamlets Education Partnership

This Memorandum of Understanding (MOU) sets-out the terms and understanding of the relationship between the London Borough of Tower Hamlets (referred to as the **Council**) and the Tower Hamlets Education Partnership (THEp – referred to as the **Partnership**) established in order to secure the best possible educational outcomes for school aged children in Tower Hamlets. As such it reflects a range of responsibilities devolved to the Partnership along with opportunities for innovative work in our local schools but is a voluntary not legal agreement on each party.

# **Background**

In the light of significant national changes to the national education agenda, and particularly those relating to the delivery of school improvement, the Council and its headteachers and governors agree that best way to secure the progress of the previous two decades and find new ways to take that forward, is to develop a school-led approach to sustainable school improvement.

Headteachers have established the Tower Hamlets Education Partnership to achieve this goal.

The Partnership's vision is that our schools and other educational settings should build on an existing culture of collaborative working — initially focused on school improvement — to enable all the borough's children and young people to experience the best possible educational opportunities, outcomes and life chances.

This vision is shared by the Council which is committed to supporting the establishment of the Partnership over its first three years. It is envisaged that as time progresses more services will be delivered through this partnership arrangement.

# **Purpose**

Councils holds certain statutory powers devolved to them by Central Government and for which it as a corporate body, and the Director of Children's Services as an individual, is legally accountable. In addition, there are other school practices which broadly come under the term of 'school improvement, which if delivered diligently, can lead to a continuously improving school system.

The expectation of the Council is that the Partnership takes responsibility for these activities whilst recognizing that the accountability remains between the Council and central government and its agents such as Ofsted, and the Regional Schools Commissioner, and that it effectiveness will be judged by outcomes to be agreed on an annual basis but which may include:

progress in national examinations at each key stage;

- progress of various groups as identified by the Council and its partners from time to time and,
- progress towards all schools being outstanding in Ofsted terms.

The Partnership in accepting these responsibilities will also acknowledge that the Council is the supervisory authority under the terms of Sections 11-13 of the 2002 Education Act and undertakes to provide the Council with an annual independent audit, and to maintain and share with the Director of Children's Service on a regular basis, an active risk register reflecting best principles of risk management.

The Partnership is expected also to create a local sustainable model for building on the concept of a self-managing school system, and one funded through Member subscription or other means acceptable to all parties. The focus of the Partnership, however, should always be on Tower Hamlets' schools.

## Reporting

The Partnership will acknowledge and recognize its democratic and community accountability and commit to regular reporting to the Council. Formal reporting will most likely take the form of a biannual report to be agreed, probably in February/March and September/October (depending on the Municipal Calendar) that will allow the proper discharge of this accountability. Content will include:

A review of schools causing concern against local and national indicators including Ofsted categories;

A review of examination results including analyses by groups to be agreed from time to time as reflecting local and national priorities; Some measure of community satisfaction;

A summary of an independent, annual audit report; and, Progress towards agreed further outcome measures, dependent on which particular functions are moved across.

There will be a further expectation that the Chief Executive of the Partnership and Director of Children's Services and/or their nominees meet no less than half termly against an agreed agenda. The Chief Executive may also be invited to external accountability meetings if it is felt appropriate.

## **Funding**

It will be for the Partnership to agree how these outcomes will be achieved but in order to facilitate their achievement, the Council will transfer across to the Partnership within the terms of various service level agreements to be described elsewhere, resources felt sufficient by the Council to secure those outcomes. These may be in form of people, money or programmes, and the precise nature may change from year to year.

Initially the Council has committed three years of startup funding to further support the establishment of the Partnership and this is described in papers published elsewhere.

## **Duration**

This MoU reflects a voluntary agreement entered into by the Council and the Partnership but reflects various papers presented to and accepted by both parties at earlier dates. It will be reviewed annually, as an outcome of the formal reporting processes detailed above. In signing this, the respective officers do not make any further commitments on behalf of their organisations.

Dated:				
Signed on behalf of the Council	Position			
Signed on behalf of the Partnership	Position			
Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012				
NONE				
Officer contact details for documents: N/A				