

Committee: Cabinet	Date: 29 July 2009	Classification: Unrestricted	Report No:	Agenda Item:
Report of: Corporate Director Children, Schools and Families Originating officer(s) Carmel Littleton, Service Head Young People and Learning		Title: Establishing a National Challenge Trust School at St Paul's Way Community School Wards Affected: Mile End East		

1. **SUMMARY**

- 1.1 This paper provides an update on progress towards setting up a National Challenge Trust (NCT) school at St Paul's Way Community School. It also outlines the next steps in the process towards establishing a Trust and seeks Cabinet permission to recommend to the Interim Executive Board (IEB) of St Paul's Way School that they should commence the consultation phase in September 2009.
- 1.2 This paper follows previous progress reports to Members in June and October 2008, which explored the feasibility of establishing a new form of governance at St Paul's Way.
- 1.3 Attached at Appendix 1 is further information on the similarities and differences between Academies, Trust Schools and National Challenge Trusts. In June 2008 there was support from Members for the option to set up a National Challenge Trust at St Paul's Way.

2. **RECOMMENDATIONS**

Cabinet is recommended to:-

- 2.1 Note progress towards setting up a National Challenge Trust at St Paul's Way Community School;
- 2.2 Agree to endorse and recommend that the Interim Executive Board of St Paul's Way school moves to the consultation phase with key stakeholders starting in September 2009, as set out in paragraphs 4.4 to 4.6; and;

- 2.3 Note that a report will be submitted to Cabinet in November 2009, outlining the feedback from the consultation; refer to recommendation 2.2 above, and setting out formal proposals for next steps.

3. BACKGROUND

- 3.1 While most secondary schools in Tower Hamlets have made excellent progress, results at St Paul's Way have remained consistently below floor targets. In 2007, for example, just 20% of pupils gained 5 A*-C GCSE grades, including English and Maths. Although this improved slightly to 23% in 2008, it remains well below the borough benchmark of 41.2% and national average of 47.2% and as a result of being below 30%, caused the school to be designated a National Challenge School
- 3.2 As a result, there is a pressing need to build on recent developments at St Paul's Way to secure the very best outcomes for its pupils and the local community. Good GCSE results are a passport to further education, employment and training, and raising results to be in line with the best authorities in the country is thus a key priority for the Council. Ambitious borough-wide targets have been set for 50% of pupils to achieve 5 good GCSEs (including English and maths) this summer, and 53% in summer 2010. The National Challenge commitment is that by 2011 there are no schools where fewer than 30% of pupils achieve 5 good GCSEs (including English and Maths).
- 3.3 The establishment of a NCT at St Paul's Way coincides with the development of a brand new school as part of the Building Schools for the Future (BSF) capital build programme and the St Paul's Way Transformation Project. It is therefore an exciting time for change and innovation at St Paul's Way, with the development of the new school providing an opportunity to deliver the very best in teaching and learning for children in the St Paul's Way area. We know, though, that a new school building on its own will not necessarily change the school if we do not look at other ways of driving improvement.

Securing change and rapid improvement

- 3.4 Since reporting to Members in June and October 2008 much has been done to achieve sustainable improvements at St Paul's Way. Some of the key steps taken over the last 18 months are:
- January 2008 - an interim headteacher was appointed to replace the former headteacher who resigned in December 2007.
 - June 2008 - following concern by the local authority about poor progress and governance at the school, the local authority issued the school with a formal notice to improve. This identified key areas where the school needed rapidly to address performance.
 - September 2008 - the local authority replaced the governing body with an Interim Executive Board (IEB), tasked with making rapid improvements across a number of key areas. The IEB has already made a significant impact, acting quickly to appoint a new experienced headteacher who took up post in January 2009.

- At the moment, a significant staffing restructure is underway to bring greater focus and clarity to delivering the curriculum and to raise attainment. Better use of data to assess pupil progress and targeted support for those who need it are also in place.
- 3.5 In March 2009 the school's Ofsted inspection confirmed the judgement of the local authority that the school required improvement across a range of areas including teaching and learning, setting high expectations for pupils and setting out the need to foster positive relationships between staff and pupils. The report acknowledged the compelling vision of the new headteacher and the effective support of the IEB, recognising that progress had been made.
- 3.6 However, the IEB is not permitted to be a permanent solution, and must work towards handing over the governance of the school to new permanent arrangements. To sustain the progress they have made, and improve things still further, we need a longer-term way of changing the governance of the school so that it has school improvement at its heart, and can really drive and deliver change.
- 3.7 In addition, the Department for Children, Schools and Families (DCSF) expects structural solutions to be explored and invested in to bring about improvement. This is the background to the decision, taken with the IEB, to set up a new form of governance for the school – a National Challenge Trust.

National Challenge Trusts

- 3.8 National Challenge Trusts are intended for schools where fewer than 30% of pupils are achieving 5 A*-Cs at GCSE (including English and Maths), and where it is agreed that replacement with an Academy is not an option. The key aim of a National Challenge Trust is to use the experience, energy and expertise from partners as a lever to raise standards in schools. More detailed information on National Challenge Trusts and how they compare to other forms of governance can be found at [Appendix 1](#).
- 3.9 NCT schools are set up under the same arrangements as for Trust schools, but with two key differences:
- NCTs must be led by a strong school or other education partner (HEI, independent school or FE College);
 - The Trust is set up in such a way so that the strong school/education partner can take charge of the governance of the weak school with the Trust appointing *the majority* of the school's governors.
- 3.10 Each National Challenge Trust school will be allocated a National Challenge Adviser, who will work with the school leadership to develop a tailored package of support. The Trust must have radical and transformational proposals for

school improvement and standards on both a rapid and sustainable basis. There is also a significant financial injection of up to £750,000 to support school improvement for each National Challenge Trust School.

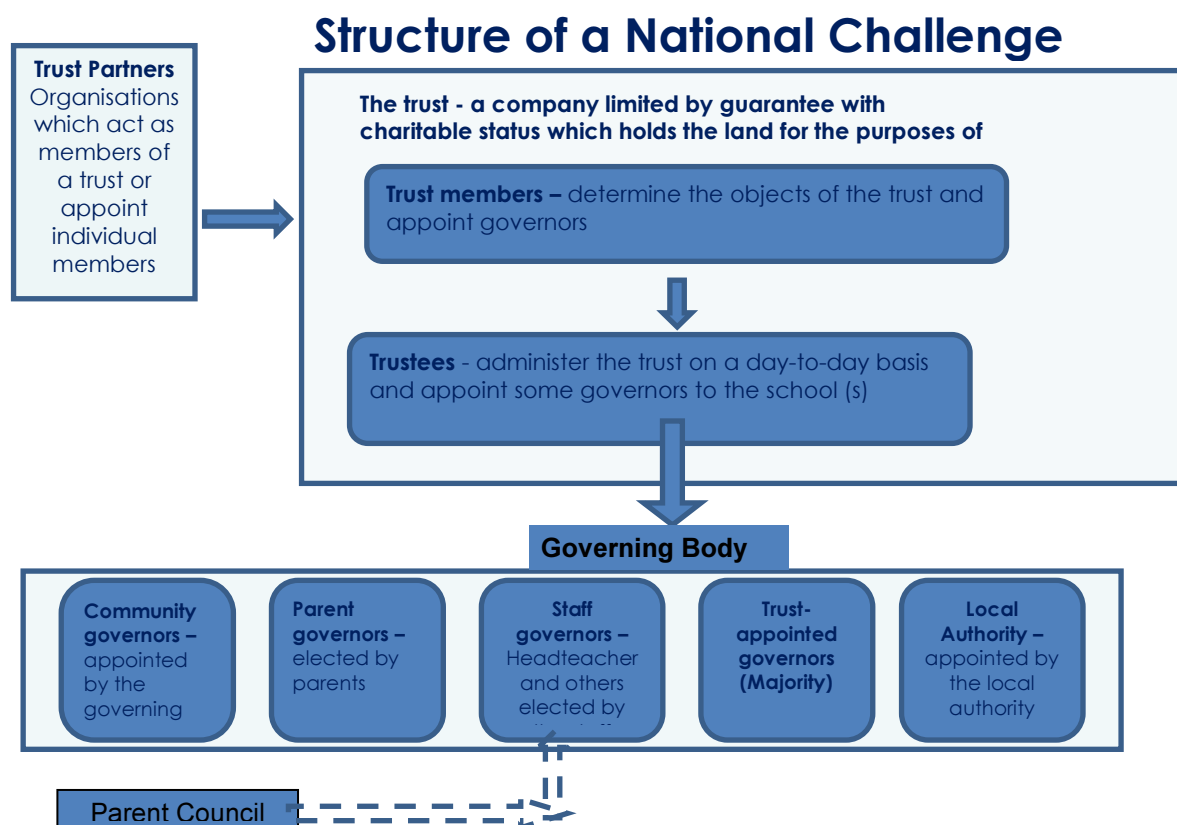
- 3.11 The financial injection is a one off payment by the DCSF to the school. The amount will be based on the degree of transformation planned, and will be decided on a case by case basis by the DCSF. Funds may be used for a range of measures, the emphasis being on the need for these schools to draw on partner expertise and experience to raise standards through effective leadership and governance. NCT guidance suggests that funding may be used for (but is not limited to):

- Project management support (mostly for progressing the statutory and trust acquisition processes quickly; recruiting a new leadership team etc);
- Staff costs in a partnering good school, e.g. overtime and backfilling;
- Recruitment of subject specialists/Senior Leadership Team;
- School improvement support;
- Voluntary redundancy/staff restructuring packages.

The plan for spending the money will be outlined in the school improvement plan submitted by the Trust team (current IEB and LA) and will be signed off by the DCSF.

- 3.12 NCT funding is agreed in principle when the Secretary of State has signed-off the proposed Statement of Intent. Funding will be officially signed-off and released after DCSF approves the three planning documents (the project management plan, the school improvement plan and the accountability framework) which are part of the National Challenge delivery process.
- 3.13 As with any Trust school, the governing body of a NCT remains responsible for its day-to-day running and receives its delegated budget. It is the governing body which is the school's admissions authority and it (not the Trust) appoints school staff. In NCTs the Trust will always appoint a majority of the governors. As a majority governance Trust, there is also a requirement to form a Parents' Council.
- 3.14 A Trust is a charitable organisation that supports one or more schools by holding land and buildings on trust and appointing governors. They must be incorporated bodies – either a charitable company (limited by shares of guarantee), a charitable incorporated organisation or a body incorporated by Royal Charter. The most common legal form of a Trust is a company limited by guarantee under the Companies Act 1985 and able to qualify for charitable status. This is the most common form of a Trust due to the relative ease of setting it up and also it means that Trust members have limited personal liability

3.15 The diagram below shows the structure of a National Challenge Trust.



4. OVERVIEW

Progress to date in setting up a National Challenge Trust

- 4.1 The IEB is managing the process of acquiring NCT status for St Paul's Way. This is being done with close support from the local authority.
- 4.2 Improving the quality of teaching is central to improving educational outcomes at St Paul's Way. As a result, the local authority and the IEB have been in discussions with leading Higher Education Institutes specialising in teaching. We are pleased to report that three institutions – the Institute of Education, the University of East London and King's College - have indicated their willingness to take forward these discussions on a formal footing.
- 4.3 All three institutions are delivering the Masters Degree in Teaching and Learning. The Institute of Education has indicated their willingness to be the lead partner – an excellent offer, given that they are a nationally and internationally recognised centre of expertise on good teaching. The lead partner will take responsibility, with the support of the local authority and the IEB, for setting up the Trust. We

will also ensure that there is Elected Member representation on the Trust when it is formalised.

Establishing a Governing Body

4.4 The Governing Body will be appointed by the trustees of the NCT. In setting up a governing body there are five compulsory stakeholder groups for Trust schools: parents, school staff, the Local Authority, the community and Trust appointed governors (who must make up a majority of the governing body). Some of the Trust appointed governors must also be parents. The experience of the IEB has shown that a smaller group is effective in maintaining focus and clarity of purpose. It is suggested that the governing body should be made up of 12 members.

Size of governing body	Elected parent governors	Trust appointed governors (parents)	Community governors	Staff governors	LA governors
12	1	7(3)	1	2	1

4.5 In addition, it is a requirement in law for the governing body of a majority governance Trust school to set up a Parent Council. The Parent Council will have an advisory and consultative role to enable parents' views to be taken into account.

Next steps

4.6 The next stage of the process in acquiring a National Challenge Trust at St Paul's Way is to undertake formal consultation with key stakeholders. Although not an exhaustive list, this includes:

- Parents of pupils at St Paul's Way
- Parents of pupils in nearby primary schools
- Staff at the school
- The wider local community
- Elected Members
- Other local agencies e.g. NHS Tower Hamlets, third sector organisations, registered social landlords
- Leading HE/FE institutions
- DCSF

4.7 This paper seeks Cabinet's approval to recommend to the IEB to begin consulting with stakeholders in September and to this taking place over a six week period.

- 4.8 Based on these draft timescales, the intention is to bring a further paper back to Cabinet in November 2009. This paper will outline the findings of the consultation and put forward proposals for next steps.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 5.1 Schools finances are covered by the Dedicated Schools Grant. This proposal aims to secure a further lever for school improvement in order to help all children and young people in our secondary schools to achieve at or above national rates of attainment.
- 5.2 The DCSF also provides a significant financial injection of up to £750,000 to support school improvement for each National Challenge Trust School.

6. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

- 6.1 It is proposed that Cabinet recommend the commencement of consultation on whether to acquire a National Challenge Trust for St Paul's Way School. It is understood that this consultation will be carried out by or on behalf of the Interim Executive Board.
- 6.2 A National Challenge Trust must be established under the Education and Inspections Act 2006 and associated regulations. The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2007 specify requirements in relation to foundation proposals, including the acquisition of a trust.
- 6.3 In accordance with the Prescribed Alterations Regulations, the Interim Executive Board must carry out consultation with specified persons and bodies before publication of a foundation proposal and must include evidence of the consultation in any proposal. There is also statutory guidance entitled *Trust School Proposals: A Guide for Governing Bodies and Local Authorities* that addresses the conduct of consultation and regard should be had to this.
- 6.4 If the proposal for acquisition of a National Challenge Trust proceeds, then consideration will have to be given to the fact that staff may cease to be employed by the Council and transfer to the Trust by virtue of the Transfer of Undertakings (Protection of Employment) ("TUPE") Regulations 2006. If this is the case then the requirements of the TUPE Regulations should be considered prior to establishment of the Trust and complied with prior to any transfer of staff.

7. ONE TOWER HAMLETS CONSIDERATIONS

Reduce inequalities

- 7.1 The area around St Paul's Way is one of the most deprived areas in the borough. Pupils at St Paul's way Community School achieve less well than their peers in other schools in the borough, which significantly impacts on their life chances given what we know about the links between educational outcomes and deprivation. The aim of National Challenge Trusts is to raise standards in schools, by using the experience and expertise of their partners. This new form of governance will help to accelerate education outcomes and thereby improve life chances for pupils at the school and the local community. In the long term this will help to break the cycle of poverty, one of the key strands in our child poverty strategy.

Ensure strong community cohesion

- 7.2 The St Paul's Way Transformation Project, which is part of a package of development in the St Paul's Way area, is focused on bringing communities together with the secondary school at the heart. Along with the development of the new school and governance arrangements, the goal is to make St Paul's Way the school of choice for local families, where all children in the local area go to the same school thereby strengthening community cohesion.

Strengthen community leadership

- 7.3 The new governance arrangements will create a strong governing body; there will also be a representative from the local community on the governing body.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 There are no Sustainable Action for a Greener Environment implications.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 Risk is being managed through detailed project planning.

10. EFFICIENCY STATEMENT

- 10.1 The proposals will result in greater efficiency and better use of existing resource.

11. APPENDICES

Appendix 1 – Academies, Trusts and National Challenge Trusts