



Academies – Accountability, Autonomy and Equality

Overview

- England's state-funded school system is deeply fragmented. As well as complex governance and financial differences between academies and maintained schools, there are also significant and troubling variations between different types of academies.
- Academies in Multi Academy Trusts (MATs) are forced to operate in very different ways to stand-alone academies or maintained schools. **They have no individual control over governance, admissions, finances, and destiny.** As of November 2017 of the 6,100 academies in operation 4,432 were in MATs, with only 1,668 operating as standalone, 'independent' academies (Single Academy Trusts).
- New LSE research by Professor Anne West and Dr David Wolfe QC, highlights significant concerns around decision-making, transparency and independence within the academies programme and particularly with MATs. It recommends a policy overhaul to bring the programme closer to the original intention, underpinned by a new '**common rule-book**' for all state funded schools.

The Legal Status of Academies

- Academies within Multi-Academy Trusts (MATs) have no legal identity of their own. They have precious little of the individual independence and decision-making powers promised when the academies programme was first envisaged.
- Instead, it is the MAT itself which has the legal status. The MAT holds a contract with the Secretary of State, rather than each individual school, meaning that schools in MATs have no automatic freedom or ability to make decisions relating to their running and policies, as individual "stand-alone" academies do.
- Because they have no individual legal identity, academies in MATs cannot extract themselves from that MAT to exist as an independent entity or to join another MAT. This can leave good, ambitious academies bound to low-performing MATs.

Governance

- There are significant differences between the governance of academies and of maintained schools. In maintained schools, the governing body runs the school, setting its own ethos, vision and direction and appointing the head teacher. Its composition is set by statute, and governors must have the skills to govern, and meetings must be reported on. Decisions in academies, however, are often taken by trustees whose appointment is opaque and with minimum transparency.
- Many academies have no individual power over their governance arrangements, and in some cases have been "locked into" a contract no longer appropriate for the values and direction of their staff and pupils. High-performing academies forced into a MAT on the basis of a single historic Ofsted report, for example, cannot change their individual arrangements.
- Admission policies for academies in MATs are ultimately overseen by the centralised MAT, not the individual academy. These decisions can be made in a number of different ways –

they may be made centrally, or they may be devolved in part or in whole. This has led to opaque admissions processes which have made it difficult to ascertain whether they have been determined as legally required, with concerns raised about secondary school admissions from primary schools run by the same MAT, which may be outside what is felt to be the secondary school's catchment area.

- Academies in MATs also can have no autonomy over their curriculum. This can be centralised by the MAT, giving schools less flexibility than they would have as maintained schools. (Previous research has found most MATs prescribe the curriculum to some extent, while permitting limited flexibility on teaching and delivery.)

Financial Arrangements

- MAT accounts, while having to be signed off by an external auditor, do not provide a detailed account of how public money is spent, and data published by MATs can mask the financial decisions made by individual academies. This is in contrast to the accounts of maintained schools.
- This lack of transparency has led to concerns that MATs are using public money to pay excessive salaries – they are not bound by the School Teachers Pay and Conditions framework that governs maintained schools. It has also allowed MATs to pay out compensation costs without setting out how much public money was used to cover this, using opaque reporting practices to hide the payments.
- The procurement practices of Academy Trusts are also of concern. “Related party transactions” - business arrangements between a MAT and body with which those responsible for the governance of an academy have a personal connection - were worth £120m in 2015-16, over 3,000 transactions. Opaque rules have led to lucrative contracts going to a company owned by a MAT Chief Executive, and to that Chief Exec's daughter.

Recommendations

- There should be a **new common rule-book for all state funded schools to establish coherence across the system and deliver equality of opportunity for pupils**. The rule book should cover governance, admissions, the curriculum and funding so as to ensure improved transparency and accountability across academies.
- Admissions processes should be better aligned across the state-funded school system. They should be subject to local agreement and administered by the local authority on behalf of all local schools to ensure democratic accountability. The Local Government Ombudsman should have jurisdiction over academies' admission and exclusion panels, as they do over maintained schools.
- **All academies run by MATs should have their individual legal status restored**, with a contract between the local authority and each individual school to restore local oversight and accountability. This will also restore autonomy and allow academies to be mobile and flexible. Further thought should be given to the future of MATs, possibly as a service that newly-independent academies could buy into and leave as appropriate. Consideration should also be given to allowing academies to revert to maintained school status.

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