

Report to: Cabinet

Date: 19th February 2009

Subject: Eastern Skills Centre

Report of: Director of Children and Young Peoples Services

Contact officer: Jim Cassidy (Telephone: 01942 486176)

Purpose / summary: To seek members consent to the formation by a group of 6 schools in the eastern part of the Borough of a company under Section 11 of the Education Act 2002 for the purpose of establishing a Skills Centre for 14-19 year old learners and the wider community.

Alternative options considered and reason for selecting the one recommended: Other models for the management of the proposed Skills Centre have been explored but it is considered that the school company route is the most appropriate structure for the reasons outlined in this report.

Recommendation / decision: That consent be given under Section 12 of the Education Act 2002 to the governing bodies of the following schools exercising their powers under Section 11 of the Act to form a company for the purposes of establishing a Skills Centre for 14-19 year old learners and the wider community in the eastern part of the Borough:

Fred Longworth High School
Lowton High School
St. Marys High School
West Leigh High School
Oakfield High School
Bedford High School

Key Decision: This report does not involve a key decision. The decision made as a result of this report will be published within **48 hours** and cannot be actioned until **seven working days** have elapsed, i.e. before 3rd March 2009

Risks / Implications:

Financial: The proposal has no direct financial implications for the Council but the Council will act as the Supervising Authority for the new company and will oversee it's financial affairs

Staffing: No implications

Policy: None

Equal Opportunities - Has a Diversity Impact Assessment been conducted? A diversity impact assessment is not necessary at this stage, however, equality and diversity implications have been considered when producing this report.

Wards affected: Initially those wards from which the collaborative schools draw their intake.

Property Implications– Does the proposal involve a reduction, addition or change to the Council’s asset base or its occupation?

No

If yes have the property implications been agreed with the Corporate Property officer?

Does this proposal have significant implications for the Council and the local population?

No

Does this proposal involve a new policy or procedure or significant changes to an existing policy or procedure?

No

Has the Service Director Borough Solicitor confirmed that the recommendations within this report are lawful and comply with the Council’s Constitution? **Yes**

Has the Service Director Corporate Services confirmed that any expenditure referred to within this report is consistent with the Council’s budget? **No**

Are any of the recommendations within this report contrary to the Policy Framework of the Council? **No**

* delete which applicable

For Cabinet reports only :

Categorisation of the report:	X		X
Discussion leading to a decision		Discussion	
Monitoring		Decision	X
Sharing for corporate understanding		Information	

Tracking/Process:

	Consultation	Ward Members	Partners
Panel	Overview & Scrutiny	Cabinet	Council
		19 th February 2009	

There are no Background Papers to this Report within the meaning of Section 100D of the Local Government Act 1972.

Proper Officer Nick Hudson

Date 4th February 2009

1. Background:

- 1.1 In 2007, a collaborative of six secondary schools in the eastern part of the Borough came together to explore the possibility of establishing a vocational skills centre to provide education and training in the construction skills area of the curriculum.
- 1.2 Up to that point the schools had not had relevant industrial work related learning in this curriculum area. While some schools had small construction areas on site that were converted Design Technology dual use rooms, it was felt that a cooperative approach to the provision would enhance the quality and efficiency of the delivery for each of the schools involved.
- 1.3 As a collaborative the use of off-site provision was deemed most suitable for the learners. From this, a unit at the Moss Industrial Estate was located by the 14-19 team of the Local Education Authority in conjunction with an appointed representative of the six schools.
- 1.4 During discussions between the schools involved in the collaborative, there was a view that outside assistance would be beneficial for the project in terms of support with legal, financial, and facilities management services with respect to the proposed company. Members of the collaborative approached Adactus Housing Association, a registered social landlord, who expressed an interest in the project and a willingness to become involved. Discussions took place between the collaborative and Adactus and agreement reached that Adactus would take on the lease of the industrial unit which would thereafter grant an underlease of the unit to the newly formed school company and provide full facility management services. In addition it is hoped that that relationship with Adactus will provide learners with an opportunity for practical application of their vocational training.
- 1.5 A proposed management framework has been identified which would see a board of directors, upon which would sit a governor from each of the collaborative schools, along with a representative from Adactus in a non-executive role with scope for additional non-executive directors where it can be shown their addition would bring experience or benefit to the company. Underneath the board of directors, there will be a management group consisting of a representative at a senior level from each of the participating schools, a representative of Adactus, and representative of the Local Education Authority.
- 1.6 The Skills Centre will cater for upto sixty learners per day concentrating on the areas of construction in its widest sense. A centre manager has been appointed in the employment of Adactus, additional support staff will be introduced as required. Although it is intended that initially the Centre will provide training to learners from the participating schools it is hoped that this will be extended to pupils of other schools within and outside the Borough and also to other members of the local community.

2 Proposals:

- 2.1 Following discussions between all the stakeholders involved – it has been agreed that the most appropriate way to take the project forward will be to utilise the powers of the governing bodies of the six schools contained in Section 11 of the Education Act 2002. These powers enable governing bodies

to form or invest in companies for the purpose set out in the Act. One of those purposes is the provision of services or facilities for any schools. It is clear that the Skills Centre project fulfils this criterion and all the provisions of the Act and therefore the powers are available.

2.2 Section 12 of the Act, however, states that the Governing Bodies may not exercise the powers without the consent of the Local Education Authority. The Governing Bodies have now asked the Council to give that consent. The School Companies Regulations 2002 made under the Act specify the grounds on which the Council can refuse its consent. These are:

- (a) the school is subject to special measures.
- (b) the school has serious weaknesses.
- (c) the Local Education Authority considers that the school is likely to become subject to special measures or be assessed as having serious weaknesses within the next year.
- (d) the school has a deficit budget.
- (e) the Governing Body of the school has, within the last 3 years, been a member of a school company which became insolvent at a time when a governing body was a member.
- (f) the Governing Body of the school has been a member of a company which failed to act in accordance with these regulations within the last years.

2.3 None of the schools involved in the project fall within these grounds and therefore the Council may not refuse consent in this case.

2.4 The company will have a Board of 6 Directors, one nominated by each of the schools. Those nominees are all governors of the school. An additional member of the Board is drawn from Adactus in a non-executive role.

2.5 Once the consent has been given the company will be formed and will enter into the underlease of the Skills Centre and a Facilities Management Agreement with Adactus. It is also intended that the company will apply for charitable status at the earliest opportunity.

2.6 The staff working at the unit are employed by Adactus Housing Association and consist of one centre manager. Over the next twelve months this will increase to upto five members of staff.

2.7 The School Companies Regulation 2002 also require each company to have a Local Education Authority designated as its supervising authority. Where all the schools are in one LEA area, that LEA will be the company's supervising authority. The duties of a supervising authority are to:

- (a) monitor the management and finances of the school company and
- (b) notify members of the company and relevant Local Education Authorities if it considers that the company is poorly managed or there is a risk of the company becoming insolvent.

3 Alternative options considered and reason for the recommended option:

A number of structures for the project were considered however it was felt that the use of the school companies' powers under the 2002 Act provide the most appropriate vehicle. It releases the Governing Bodies from the burden of

administering the project directly and ensures that the company board can focus on the project. It also allows the company to apply for charitable status which will enable it to take advantage of the financial benefits that this can bring. In addition a similar project on the western side of the Borough has utilised a similar model.

4 Conclusions:

This is an innovative opportunity to develop a partnership between schools, business and Local Authority which helps deliver vocational training to 14-19 learners and the wider adult population on a needs basis and ultimately to the wider community.

Proper Officer Nick Hudson

Date 4th February 2009

Diversity Impact Assessment form

Section:

Policy/Service Area:

Person Completing Form:	Date:

Do any of the below groups suffer specific disadvantage (please indicate)

	Yes	No		Yes	No
Race			Disability		
Ethnicity			Gender		
Age			Religion		
Class			Sexual Orientation		

Is there evidence of disadvantage or associated problems?

How was the information collected and/or who have you consulted with?

Action Plan – <i>What specific actions are planned to tackle any disadvantage identified?</i>

Is the policy in line with current equality legislation and relevant codes of practice?

Timescale	
Responsibility	
Comments	

Are the actions specified included in any other documents/plans?

Departmental Service Plan	
Section/Team Plan	
Other (Specify)	

Date for further review
