

<b>Committees</b> City of London Academies Trust	<b>Dates</b> 09/07/2020
<b>Subject:</b> City of London Academies Trust, Academies Development Programme – Update	<b>Public</b>
<b>Report of:</b> Andrew Carter, Director of Community and Children’s Services	<b>For Decision</b>
<b>Report author:</b> Gerald Mehrtens, Director of Academy Development, Department of Community and Children’s Services	

### Summary

This report is to update the Board on the progress in the Academies Development Programme, through the City of London Corporation’s (CoLC) sponsorship of the City of London Academies Trust (CoLAT).

Since September 2016, the number of sole sponsored academies has increased from two to eight academies by a mixture of Free School applications and academy conversions. All 6 of these academies have capital developments of either new builds or refurbishment of existing buildings, with a projected total capital investment presently of circa £80m. **Appendix 1 (Non-Public)** gives an overview of the capital build programme for academies along with the body of this report providing details of any current delays.

On 19 March 2020, CoLAT Directors/Trustees approved the transfer of The City Academy, Hackney (TCAH) and the City of London Academy Islington (COLAI) to the City of London Academies Trust (CoLAT). In addition, on 16 January 2020 Members of the Education Board supported the recommendation to the expansion of CoLAT by the transfer of TCAH and COLAI to CoLAT, consent being required from the CoLC under the CoLAT/CoLC Sponsorship Agreement.

This report updates the Board on the progress of this transfer and seeks the necessary approvals to accept the transfer of COLAI and TCAH to CoLAT by 1 September 2020.

### Recommendations

Members are asked to:

- Note the progress of academy capital builds, a summary of which is attached as **Appendix 1 (Non-Public)**;
- Note the Legal Due Diligence reports for the City of London Academy Islington (COLAI) and The City Academy Hackney (TCAH) to inform the CoLAT Board of Directors’/Trustees’s decision to transfer these academies undertakings into CoLAT, attached as **Appendices 2 & 3 (Non-Public)**;

- Approve the necessary resolutions to accept the transfer of the COLAI and TCAH undertakings to CoLAT by 1 September 2020, attached as **Appendices 4 & 5**;
- Approve the proposed membership of the new COLAI and TCAH Local Governing Bodies (LGBs), which will be outside the 'model' for CoLAT LGBs as previously endorsed by the City of London Corporation; and approve the appointment of the Chair of governors for each LGB in case, attached as **Appendices 6 & 7**, (subject to the decision of the CoLC Education Board); and,
- Agree that City, University of London in respect of COLAI, and KPMG in respect of TCAH, should continue as 'Strategic Partners' to these academies after the undertakings are transferred to CoLAT, to delegate authority to the Chief Executive Officer [in consultation with the Chairman and Deputy Chairman of the CoLAT Board]; to negotiate and agree the terms of the Memorandum of Understanding, and to sign the document, in each case on behalf of the City of London Corporation **Appendices 8 & 9 (Non-Public)**. This being subject to the decision by the CoLC Education Board

## Main Report

### Background

1. Under the Academies Development Programme, the number of sole sponsored City academies has increased from two to eight since September 2016, with the date of openings listed below.
 

• Galleywall Primary, City of London Academy	September 2016
• City of London Primary Academy Islington	September 2017
• City of London Academy Highgate Hill	September 2017
• City of London Academy Shoreditch Park	September 2017
• City of London Academy Highbury Grove	November 2017
• Newham Collegiate Sixth Form, City of London Academy	January 2018
2. On the 17 May 2018, the CoLC Education Board reiterated its decision of March 2016, to limit the sponsor exposure through the expansion of the CoLAT to a maximum of 12 schools in the next few years. On 16 January 2020, Members of the Education Board supported the recommendation to the expansion of CoLAT by the transfer of TCAH and COLAI to CoLAT, consent required from the CoLC under the CoLAT/CoLC Sponsorship Agreement.
3. On 29 March 2019, the CoLAT Board approved a strategy of expansion to a maximum of 12 schools with 3 priorities, Priority 1 being CoLC co-sponsored academies joining CoLAT either through full or associate membership. On 19 March 2020, Trustees approved the City transfer of The City Academy, Hackney (TCAH) and the City of London Academy Islington (COLAI) to the City of London Academies Trust (CoLAT)

## Current Position

4. Regarding the academy capital builds, present projections show circa £80m investment across the six schools from a variety of funding sources, notably the Department for Education (DfE), LB Hackney, and LB Islington. This figure does not include the significant amounts associated for temporary accommodation. Members will note two of the capital builds (COLA Highbury Grove and Galleywall Primary) have completed, two are under construction (COLA Shoreditch Park & COLPAI), and two are in the early stages of design (Newham Colligate Sixth Form & COLA Highgate Hill). Attached as **Appendix 1 (Non-Public)** is a table showing an overview of the capital build programme for academies as well as a summary below of key dates, potential risks, and next steps.
5. There are two key areas of risk in the academy capital builds:
  - a. For COLPAI, In March this year the Government introduced 'lockdown' restrictions in response to the Coronavirus crisis which required businesses to either close or implement Public Health England social distancing procedures, in order to continue to operate. The result of this was ISG, the contractor for the school build, had to stop work on the site for a period of time in order to introduce social distancing procedures and additional welfare facilities, and now continues to operate with a reduced workforce on site in order to maintain these requirements. This has further delayed completion of the build. Until social distancing requirements are lifted the actual completion date for the school build will be difficult to confirm but the delays caused to date already take completion into the Spring Term. ISG have now completed their projection of the school and residential completion dates based on maintaining productivity at 80% for the remaining duration of the project which projects the complete of the build in May 2021. The temporary school site from September 2020 is Copenhagen Primary School which has been secured for the whole 2020/2021 academic year should it be needed for a longer period. Officers plan meetings with CoLC and CoLAT members of relevant committees to keep members updated.
  - b. For NCS, following completion of the feasibility study and the recognition that the scheme will not be able to achieve planning approval in its current form, the DfE technical advisors have appointed a more specialist architectural practice ahead of procuring a main building contractor. The design has progressed to the completed of Stage 2 of the RIBA design process with a full planning application projected to be submitted in August 2020. The DfE will attempt to complete the first phase ready for occupation by September 2022, but the complete works could well run until December 2022 or early 2023
6. Regarding the COLAI and TCAH transferring to the CoLAT, this remains on schedule to completed by 1 September 2020, for the start of the next academic year. Through the work of the two respective Project Boards the legal due diligence exercises have been completed and are attached to this report to inform the Board's decision making as **Appendices 2 & 3 (Non-Public)**. Stakeholder and TUPE consultations have also been concluded on schedule, with the jointly appointed solicitors, Bates Wells, in the process of finalising the transfer of the

leases, Supplementary Funding Agreements, and Commercial Transfer of Assets from the existing academies to CoLAT.

## Proposal

7. This report is seeking the Board to pass resolutions to accept the transfer of the City of London Academy Islington (COLAI) and The City Academy Hackney (TCAH) to COLAT on 1 September 2020, attached as **Appendices 4 & 5**.
8. It should be noted, given the target is to transfer both academies to CoLAT by the start of the next academic year and the Department for Education will wish for the relevant documents to be signed towards the end of August 2020, these resolutions are seeking to authorise the CoLAT Chief Executive Officer to agree the final form of the legal documents on behalf of the Trustees on the advice of COLAT's lawyers Bates Wells, which also require approval of the CoLC as sponsor.
9. This report is also seeking the Board's approval of the proposed membership of the new COLAI and TCAH Local Governing Bodies (LGBs) which will be outside the 'model' for CoLAT's LGBs governing bodies as previously endorsed by the City of London Corporation; and approve the appointment of the Chair of Governors for each LGB in case, attached as Appendices 6 & 7, in order to retain the expertise, knowledge, and strong governance arrangements in the transition of these academies to CoLAT. This also being subject to the approval of the CoLC as sponsor.
10. To Inform the Board in making these decisions, attached to this report as **Appendices 2 & 3 (Non-Public)** are the Legal due diligence reports carried out by Bates Wells on the two academies.
11. This report is also seeking approval of the CoLAT Board that City, University of London in respect of COLAI, and KPMG in respect of TCAH, should continue as 'Strategic Partners' to these academies after the undertakings are transferred to CoLAT. Both these organisations are committed to continue a level of support similar to their involvement as co-founder sponsors when these academies were established, which is outlined in draft in **Appendices 8 & 9 (Non-Public)**, with the final agreements to be negotiated by the CoLAT CEO on behalf of CoLAT, and the Director of Community and Children's Services on behalf of CoLC as sponsor.

## Strategic Implications

12. All free schools are funded directly by the Education and Skills Funding Agency, with any 'new' academies joining CoLAT requiring 'new' Supplementary Funding Agreements falling within a CoLAT Master Funding Agreement.
13. 12. There is no direct financial liability to the CoLC in respect to the CoLC co-sponsored academies joining CoLAT as the proposed schools would become part of CoLAT, which is a separate legal entity (being a charitable company limited by guarantee). However, the CoLC remains accountable to the DfE as sponsor for the on-going successful operation of CoLAT and the delivery of high-quality education

at each of the academies sponsored by the CoLC, and this will be of strategic importance to the CoLC.

14. This proposal delivers on the following strategic objectives of the CoLC:
  - a. To contribute to the outcomes within the CoLC's Corporate Plan to 'Promote effective progression through fulfilling education and employment', and 'to contribute to a flourishing society' as its aim;
  - b. The CoLC Education Strategy for pupils in the City family of schools to have access to transformative education, enabling to achieve their potential, flourish and thrive.
  - c. The Department of Community and Children's Services Business Plan's priority objective 'Potential', which states: "People of all ages can achieve their ambitions through education, training and lifelong learning", with the outcome to be achieved by "Delivering an outstanding education offer through the City of London family of schools

## **Conclusion**

15. TCAH and COLAI are the only two of ten academies sponsored by the City of London Corporation which are not within the City of London Academies Trust. These academies joining CoLAT by September 2020 will enable the benefits provided by the existing co-sponsors to be retained while also gaining the economies of scale, support and expertise the trust offers.
16. The academy development programme through the CoLC's sponsorship of CoLAT continues to be an ambitious expansion of the City's support for education consistent with the CoLC's commitment in its Education Strategy. These ambitions remain consistent with those of CoLAT and are being successfully progressed as noted in this report. Members will particularly note the continued challenges for the COLPAI build, arrangements for further temporary accommodation, as well as the measures in place to keep relevant members updated.

## **Appendices**

- Appendix 1 - CoLAT Capital Builds table – Updated June 2020 (Non-Public).
- Appendix 2 - Legal Due Diligence reports for COLAI (Non-Public)
- Appendix 3 - Legal Due Diligence reports for TCAH (Non-Public)
- Appendix 4 - Resolutions to accept the transfer of COLAI to CoLAT.
- Appendix 5 - Resolutions to accept the transfer of TCAH to CoLAT.
- Appendix 6 – Proposed COLAI governing body transferring to CoLAT.
- Appendix 7 – Proposed TCAH governing body transferring to CoLAT
- Appendix 8 – Proposed continuing support from City, University of London, to COLAI after transfer to CoLAT [draft] (Non-Public).
- Appendix 9 – Proposed continuing support from KPMG to TCAH after transfer to CoLAT [draft] (Non-Public)

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