



Department
for Education

Running rural primary schools efficiently

Research report by Aldaba

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- South Darley Church of England Primary School
- Stone with Woodford Church of England Primary School
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- The Consortium Multi Academy Trust
- The Levels Academy Trust
- The Link Academy Trust
- The Rural Church Schools Academy
- Tilian Partnership Multi Academy Trust
- Truro & Penwith Academy Trust
- Yorkshire Endeavour Academy Trust

Executive summary

Aim

1. Aldaba ('we') were commissioned by the Department for Education ('the department') to undertake research on small primary schools that are based in rural locations in England.¹ For the purpose of this research, we defined small as fewer than 110 pupils.
2. The aims of the research were to:
 - identify an evidence base of good practice for individual small rural primary schools and collaborations; and
 - understand how interested parties, including local authorities and multi-academy trusts, assess the performance of small rural primary schools.
3. The research explored how small rural primary schools can be run efficiently based on the resources they have available. The information for the research was collected between May and July 2018. The findings therefore reflect the situation prior to the introduction of the national funding formula plans for 2018-19.

Methods

4. The department drew a purposive sample of standalone schools, including both maintained schools and single academies, and multi-academy trusts. The aim of the sample was to obtain a range of small rural primary schools that appeared to perform well in terms of their pupil attainment, finances, and Ofsted assessments.
5. Based on the sample, the department requested over 30 standalone schools and 15 multi-academy trusts to participate in the research. Nine standalone schools and twelve multi-academy trusts agreed to participate (the 21 'participating schools and trusts').
6. We developed semi-structured questionnaires that we used as part of face-to-face interviews with the participating schools and trusts. Each interview took up to three hours.
7. In addition, we conducted 14 telephone interviews with representatives of stakeholders to the education system, including local authorities, Church of England, the department's Regional School Commissioner offices, and Ofsted.

¹ Aldaba's team included Dr Miguel Garcia-Sanchez, Dr Preeti Kathrecha, Dr Paul Armstrong and John Freeman CBE. Aldaba's website: www.aldaba.co.uk

Financial management

8. Many of the participating schools and trusts explained the characteristics of the context in which they operate, including in relation to:

- fixed expenditure, which includes types of expenditure that are required to run a school; do not necessarily decrease when pupil numbers are low; and can be related to schools under certain number of pupils experiencing in-year deficits; and
- year-on-year changes, which relate to changes in pupil numbers, and the associated grant funding; and mixed-age class structures; for example, the extent to which the need to open and close classrooms is in line with changes in the grant funding received.

9. Most of the examples of practices included in this report are context specific and the result of circumstances that do not necessarily stay in place long term.

Staff expenditure

10. The two most common staff expenditure practices that we identified through our interviews were to share roles between schools, in particular, the headteacher role; and to change the combination of senior and junior staff within teaching teams.

11. The main reported advantage around sharing the headteacher role was that by doing this the small rural primary schools involved could fully utilise the expertise and experience of the individual headteacher. This was to a level that the responsibilities and workload of one single small rural primary school might not allow. Some participating schools and trusts reported that this could also result in savings for the schools involved.

12. The main reported disadvantage was that another senior member of staff was required for those days when the headteacher was not available at the school, including to guarantee the right level of expertise and experience to address potential safeguarding risks, and manage unexpected situations where other teachers or other staff require support. The salaries for these senior staff could be close to those of headteachers, and therefore the saving could be relatively small.

13. In terms of changing the combination of senior and more junior teaching staff, including reducing the number of upper pay scale staff, the main advantage identified by participating schools and trusts was expenditure reductions as a result of lower average salaries. The main risk was that small rural primary schools do require high levels of expertise and experience within their small teaching teams, including to take the lead on managing mixed-age classes. As a result, fewer senior staff may result in performance limitations.

Non staff expenditure

14. The most common practice in relation to non staff expenditure was to request quotes from available external suppliers regionally, compare the quotes received, and select the quote that represented best value for money within affordability limits.

15. Where external suppliers provide physical location-based services, such as grounds maintenance and catering, the majority of the participating schools and trusts felt that the options available to them were limited due to the rural locations of the small schools, which attract fewer external suppliers than more densely populated areas.

16. The findings on the extent to which small pupil numbers result in reduced economies of scale, such as failing to qualify for volume discounts, was mixed. Some of the participating schools and trusts secured volume discounts by joining up with other schools, including in the context of multi-academy trusts.

17. In contrast, a few participating schools and trusts said that there were also some discounts for small organisations, for example, where the number of software licence users remain under certain thresholds. Small rural primary schools might only secure such discounts while their pupil and staff numbers remained low.

Multi-academy trusts

18. The main financial advantage that multi-academy trusts can bring, according to most of the participating schools and trusts, is opportunities to achieve savings, mainly by sharing teaching and leadership roles, and securing volume discounts in external supplier contracts.

19. The central teams of the participating trusts were responsible for funding and managing contracts with external suppliers. These external suppliers typically included for health and safety, certain human resources, and legal advice. They might also include aspects of information and communication technology (ICT), such as pupil attainment tracking systems.

20. All participating trusts provided financial support to their member academies. This support included advice on finding savings and balancing the finances. Whilst a few participating trusts gave interest free loans to the member academies that were experiencing an in-year deficit, subject to a repayment plan, all participating trusts had as a priority for their member academies to achieve financial balances within their income, rather than seeing loans, or similar practices, as routine.

21. The majority of the participating trusts said that improved accountability was one of the key benefits that small rural primary schools might experience as part of a trust. This was because the trust's central teams typically had the skills and capacity to monitor and report on the key aspects of accountability, including overall school, and pupil performance.

Staffing

22. Most participating schools and trusts identified headteachers and senior teaching staff as roles difficult to recruit. Some administrative support staff, particularly roles in relation to finances, were also identified as difficult to recruit. This was mainly because of the specialist nature of the roles, which required both technical expertise and also previous experience working in an educational setting.

23. Most participating schools and trusts identified midday supervisors as the most difficult type of role to recruit. This was because the role typically required one to two hours' worth of work in the middle of the day, every day, which was a pattern that did not appeal many candidates. For similar reasons, most of the participating schools and trusts found it difficult to attract candidates for maternity and sick leave covers.

24. Some participating schools and trusts said that maintaining formal and informal networks could help identify candidates, for example, by sharing advertisements through the newsletters for headteacher associations, or bringing up the opportunities informally with parents.

25. Teaching assistants were mentioned by some participating schools and trusts as easier to recruit. This was partly as a result of a perception that these qualifications were popular and their salaries were in line with the responsibilities associated with the role.

26. All participating trusts told us that they saw themselves as a useful way of overcoming some of the challenges associated with recruiting staff for small rural primary schools. This was by running recruitment campaigns, and identifying candidates within their member academies.

27. All participating trusts said they could facilitate conversations with everyone involved, including headteachers for member academies, and candidates, to fill vacancies internally within the trust. A benefit of this was that teachers within the trust, particularly those at small rural primary schools, could have access to more promotion opportunities.

28. Whilst agreeing with the above in principle, a few participating trusts recognised the challenges around making the timings for filling vacancies coincide, including when promotion opportunities become available, and the readiness and willingness of the staff within the trust to apply for them at that moment in time.

Collaborations and continuous professional development

29. Most of the collaborations mentioned by the participating schools and trusts were based on historical relationships, including neighbouring schools that had collaborated for years, and clusters originally organised by local authorities for various purposes and subsequently maintained by the member schools.

30. The majority of the participating schools and trusts considered that collaborations with other schools and organisations had helped them to achieve better prices for continuous professional development activities. This included both more and less formal collaborations.

31. Some participating trusts stressed the opportunities that they could offer to small rural primary schools in terms of providing peer support and a sense of professional community, particularly in the case of more junior staff, such as teaching assistants, who could come together for regular meetings from across the trust, and stay in touch by email and telephone communication. This included coaching, which might be facilitated from the trust's central teams, for example by organising events, or introducing individuals to each other.

Teaching, school improvement and attainment

32. As reported by participating schools and trusts, school improvement plans drive the activities required to raise the performance of small rural primary schools. The starting point is usually the analysis of pupil attainment information. The majority of the participating schools and trusts also build on the work of school improvement auditors, which cover a range of aspects of school management, such as leadership, finances, and continuous professional development.

33. School improvement is an area where participating standalone schools saw multi-academy trusts as being effective, and participating trusts in turn also considered themselves to be effective, as long as the right level of resources was available.

34. Participating schools and trusts explained that they measured pupil attainment based on a combination of quantitative information, for example, key stage results, and qualitative information gathered by teachers as they developed their teaching on a continuous basis. The focus was on pupil progress towards expected achievement levels.

35. Our stakeholder interviews suggested that interested parties, including local authorities, assess the performance of small rural primary schools similarly to how they assess the performance of other types of schools. In all cases, they acknowledge the size and other characteristics of the schools, as well as the contexts and situations within which they work.

Practice summaries

36. The body of this report provides case studies, examples and illustrations of practices, which we summarise below.

Funding context and challenges

- To design budgets to achieve additional reserves equivalent to approximately three to five per cent of the grant funding received each year.
- To identify a discrete list of minimum fixed expenditure items that are required to run a school, irrespective of changes in pupil numbers, and take it as a basis for financial budgeting, management and monitoring; and also identify those expenditure items that vary in line with changes in pupil numbers to further inform the planning work.
- To forecast year-on-year changes, including in terms of pupil numbers, income and mixed-age class structures, and how the challenges faced one year might be balanced in later years.
- To maintain relationships with other local schools and organisations to seize every opportunity to attract new pupil applications, as long as this does not involve challenges in terms of lower pupil numbers for other neighbouring schools.
- To consider fund raising events; breakfast, after-school, and holiday clubs; training provision by senior teachers to other schools; and letting out premises.

Budgeting and monitoring

- To develop month, and year end templates for financial budgeting and monitoring, for example, as explained in case study 2.
- To assess the option of sharing roles between schools, including headteachers, teachers, teaching assistants, and those responsible for non core curriculum subjects; flexible teaching and staff resourcing practices can help cover the national curriculum in full.
- To assess the option of addressing the balance between senior and more junior staff.
- To review the external suppliers currently engaged in light of other options available.
- To collaborate with others to explore opportunities to reduce non staff expenditure.

Multi-academy trusts

- To consider conversion funding and other funding options, such as those aimed at helping set up trusts².
- To consider the options of having a fixed central team contribution, or recharging central team costs to member academies on a regular basis, depending on the preferences and needs of member academies and options available to achieve efficiencies.
- To consider the balance between supporting member academies through central team roles, and services provided through external supplier contracts, or in other words, whether certain types of support are better provided through in-house staff or purchased from external suppliers as required.
- To consider the balance of costs and benefits for maintaining a given function within the central team.
- To identify a discrete list of minimum fixed expenditure items that are required to run the central team, and how increases in the number of member academies, including small rural primary schools, can help achieve efficiencies.
- To assess how to deal with existing or potential in-year deficits experienced by member academies, including through internal loans as an option.
- To consider accountability overview processes of the type set out in case study 5.
- To consider making the trust better known to the public, and develop an offer that meets teachers' and parents' needs, which may result in attracting new member academies.
- To communicate the benefits of being in a multi-academy trust and addressing potential negative perceptions.

Staffing

- To develop vacancy advertisements that provide to candidates a detailed description of the job and school environment.
- To maintain formal and informal networks to share vacancy advertisements.
- To participate in events that allow advertising vacancies, and consider collaborating with others to maintain candidate pools.

² Gov.uk (2010), Academy conversion: support grant forms, available at <https://www.gov.uk/government/publications/academy-support-grant> ; (2015), Convert to an academy: guide for schools, available at <https://www.gov.uk/guidance/convert-to-an-academy-information-for-schools/3-prepare-for-conversion> ; all hyperlinks to publications were checked on 16 October 2018.

- To provide support for new teachers to adapt to mixed-age classes, such as coaching and formal continuous professional development activities.
- To consider the option of allocating to each teacher areas of responsibilities, such as subject leadership, and associated budgets; this can result in larger numbers of applications when vacancies arise, and contribute to continuous professional development for those in post.
- To consider changes to remuneration packages to recruit and retain staff, such as accruing extra holiday entitlement days as tenure increases.
- To explore collaborations with other schools, and organisations, such as universities, to engage staff with a range of expertise to cover the breadth and depth of the national curriculum.
- For multi-academy trusts, to assess the option of including mobility clauses in employment contracts, and best ways to put them into practice, when required.

Collaborations and continuous professional development

- To develop new, and maintain existing collaborations, particularly in relation to funding continuous professional development activities, and learning opportunities for pupils.
- To consider being part of a range of types of networks, from formal to more informal, for example to have opportunities to share information with peers from other schools, and organise class observations.
- To explore the possibility of making joint appointments with neighbouring schools.
- To forecast and plan future staff numbers, and continuous professional development needs, similarly to the participating trust in case study 7.

Teaching, school improvement, and attainment

- To consider rolling programmes, including the implications of 'block teaching', whereby certain topics in the curriculum are covered intensively during short periods of time.
- To make the most of rural environments in relation to subjects such as physical education and sport, and science.
- To involve a range of roles in the development of school improvement plans, including teachers, subject leads, governors, and external school improvement auditors, and consider an approach similar to the one described in case study 9.
- To keep regular progress updates in relation to school improvement plan priorities, including through shared electronic folders.
- To allocate 'buddies' to teachers, including headteachers.

- To consider the use of online systems to record and share pupil attainment tracking activities, as well as to deliver certain types of teaching, such as teaching pupils who work towards greater depth objectives, as illustrated in case study 10.

Background

Educational Excellence Everywhere

37. In March 2016, the white paper 'Educational Excellence Everywhere' set out the Government's plans to ensure that every child and young person can access world class provision. It explained the importance of collaboration, particularly in the case of small schools and primary schools.³

Small rural primary schools

38. The department estimates that there are just under 2,000 primary schools with fewer than 100 pupils in rural locations in England. Of these, approximately 400 have fewer than 50 pupils. The average expenditure by, and key stage attainment for these types of schools are not available.

Academisation

39. In 2010, the Academies Act enabled more schools in England to become academies. The Government expected the number of academies to grow each year.⁴ In 2016, the Government dropped its plans to force all schools to become academies, stating that legislation on forced academisation would not be brought forward.

40. A recent report by the Education Select Committee in Parliament explained how academies are being encouraged to join multi-academy trusts.⁵ The report found mixed evidence as to whether multi-academy trusts improve performance.⁶ Some schools that have joined multi-academy trusts have got worse. The report identified some characteristics of multi-academy trusts that are performing well.

41. According to the Education Select Committee, in order for the multi-academy trust model to succeed there needs to be a greater number of sponsors in the system. Certain areas of the country are struggling to attract new sponsors. These areas include

³ Department for Education (2016), Educational Excellence Everywhere, page 57, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/508447/Educational_Excellence_Everywhere.pdf

⁴ Parliament.uk (2010), Academies Act 2010, available at <https://services.parliament.uk/bills/2010-12/academieshl.html>

⁵ House of Common Education Committee (2017), Multi-academy trusts, available at <https://publications.parliament.uk/pa/cm201617/cmselect/cmeduc/204/204.pdf>

⁶ See for example, Education Policy Institute (2016), School performance in multi-academy trusts and local authorities, available at <https://epi.org.uk/publications-and-research/school-performance-multi-academy-trusts-local-authorities/>

Northumberland, North Yorkshire and Cumbria, which have large numbers of rural locations.

42. Small primary schools, particularly those in rural locations, are especially vulnerable to isolation as multi-academy trusts spread in size and number. Witnesses told the Education Select Committee that there is little financial incentive for these schools to academise and join multi-academy trusts as the process can put a 'huge drain' on the financial resources of a small primary school. In addition, smaller schools have been seen as not sufficiently attractive in financial terms to multi-academy trusts.⁷

43. The response to the Education Select Committee's report by the Secretary of State for Education stated that 'there are sufficient resources available to take advantage of the opportunities presented by all schools becoming academies'.⁸

44. A recent report by the Cathedrals Group argued that small schools that have less capacity for school improvement, business management, subject specialism and teamwork are likely to rely more on services provided by local authorities. This means that small schools are more likely to be particularly vulnerable in areas of the country where local authorities are weak.⁹

School funding

45. In 2017, the Government confirmed the introduction of the national funding formula (NFF) supported by an additional investment of £1.3 billion for schools and high needs across 2018-19 and 2019-20.¹⁰

46. Following consultation, the national funding formula (NFF) involved changes to the dedicated school grant (DSG), which resulted in a total of four funding blocks: the

⁷ This was also mentioned as part of Church of England, Archbishop's Council Education Division (2014), Working together: the future of rural Church of England schools, available at <http://derby.anglican.org/education/wp-content/uploads/2014/10/future-of-rural-schools-report.pdf>

⁸ Department for Education, Secretary of State (2016), available at <https://www.parliament.uk/documents/commons-committees/Education/Correspondence/Letter-from-Secretary-of-State-re-academy-conversion-costs-03-06-2016.pdf>

⁹ Cathedral Group, World class teachers, world class education, available at <https://www.guildhe.ac.uk/wp-content/uploads/2017/05/6763-GuildHE-World-Class-Teachers-Report-Web-Final-version.pdf> See also: Church of England Education Office (2018), Embracing change: rural and small schools, available at <https://www.churchofengland.org/sites/default/files/2018-03/Rural%20Schools%20-%20Embracing%20Change%20WEB%20FINAL.pdf>; further information on small rural schools is available at The Key (2018), The challenges of leading a rural school, available at <https://thekeysupport.com/reports-whitepapers>

¹⁰ Department for Education (2017), The national funding formula for schools and high needs, page 10, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/648532/national_funding_formula_for_schools_and_high_needs-Policy_document.pdf; Department for Education (2018), The national funding formula for schools and high needs, page 3, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/728273/National_funding_formula_policy_document_-_2019_to_2020_-_BRANDED.pdf

previously existing schools, high needs, and early years blocks; and the new central school services block.

47. In implementing the national funding formula (NFF), the Government identifies notional budgets for each individual school based on a set of needs criteria for each of the four blocks. The criteria include pupil-led funding: basic per-pupil funding, and additional needs funding; school-led funding; and geographic funding.

48. Individual school budgets are aggregated at local authority level and the resulting total is transferred from the central to local authority governments. Each local authority has flexibility to further distribute the total in consultation with their local schools and school forums.¹¹ Academies are directly funded by the Department for Education.

School funding commitment

49. The Government's commitment is to secure a minimum funding of £3,300 per pupil in 2018-19, and £3,500 per pupil in 2019-20 in primary schools.¹² The Government made this commitment in response to concerns raised through consultation in relation to smaller schools and those with lower levels of additional needs. The concerns include a limited ability to attract sufficient funding through pupil-led criteria.¹³

Funding for small rural primary schools

50. As part of the school-led criterion of the national funding formula (NFF), every school gets allocated a lump sum of £110,000 notionally. In addition, schools in rural areas may benefit from the sparsity factor. This depends on the distance pupils in the school would need to travel to their next nearest school and the average number of pupils per year group. The sparsity factor is up to £25,000 in the case of primary schools. The lump sum and the sparsity factor, both combined, result in up to £135,000 for a small rural primary school.¹⁴

¹¹ Other aspects of the national funding formula include premises, pupil growth, area cost, and funding floor adjustments; see Gov.uk (2018), The national funding formula for schools and high needs, available at <https://www.gov.uk/government/publications/national-funding-formula-for-schools-and-high-needs>

¹² Funding tables are available here: Gov.uk (2018), The national funding formula for schools and high needs, available at <https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs#history>

¹³ Department for Education (2017), The national funding formula for schools and high needs, page 10-12, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/648532/national_funding_formula_for_schools_and_high_needs-Policy_document.pdf

¹⁴ Department for Education (2017), The national funding formula for schools and high needs, page 18, 27, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/648532/national_funding_formula_for_schools_and_high_needs-Policy_document.pdf

Introduction

Aim

51. Aldaba ('we') were commissioned by the Department for Education ('the department') to undertake research on small primary schools that are based in rural locations in England.¹⁵ For the purpose of this research, we defined small as fewer than 110 pupils.

52. The aims of the research were to:

- identify an evidence base of good practice for individual small rural primary schools and collaborations; and
- understand how interested parties, including local authorities and multi-academy trusts, assess the performance of small rural primary schools.

53. The research explored how small rural primary schools can be run efficiently based on the resources they have available. The information for the research was collected between May and July 2018. The findings therefore reflect the situation prior to the introduction of the national funding formula (NFF) plans for 2018-19. They also reflect the situation prior to the school teachers' pay and conditions in place from September 2018.

54. The research questions set by the department were the following:

- How are schools run in a financially viable way, including support functions?
- How do schools overcome the challenges they face due to their size and lack of economies of scale?
- How are school finances monitored and managed?
- What revenue generating activities and opportunities exist?
- What barriers do small rural schools experience in recruiting teachers and other staff, how do they respond and to what effect?
- How do schools ensure that teachers and leaders receive the necessary training and development?

¹⁵ The Aldaba team included Dr Miguel Garcia-Sanchez, Dr Preeti Kathrecha, Dr Paul Armstrong and John Freeman CBE. Aldaba's website: www.aldaba.co.uk

- How do small schools collaborate with others?
- How can formalised collaboration help small schools to overcome challenges?
- How do successful small rural primary schools structure their teaching and curriculum, including school improvement functions, and ensure their provision meets the needs of all pupils?
- How do schools measure pupil progress?

Methods

Sampling

55. The department drew a purposive sample of standalone schools, including both maintained schools and single academies, and multi-academy trusts. The aim of the sample was to obtain a range of small rural primary schools that appeared to perform well in terms of their pupil attainment, finances, and Ofsted assessments.

56. Based on the sample, the department requested over 30 standalone schools and 15 multi-academy trusts to participate in the research. Nine standalone schools and twelve multi-academy trusts agreed to participate (the 21 'participating schools and trusts').

57. Participating trusts included larger trusts with over ten member academies; smaller trusts with below ten member academies; trusts exclusively made up of small rural primary schools; and trusts including combinations of primary schools of various sizes, and secondary schools.

58. In terms of their location, the 16 local authority areas where the 21 participating schools and trusts were located were the following: Cumbria, County Durham, Stock-on-Tees, North Yorkshire, Derbyshire, Nottinghamshire, Norfolk, Suffolk, Cambridgeshire, Hertfordshire, Cornwall, Devon, Somerset, Gloucestershire, Warwickshire, and Staffordshire.

59. The participating schools and trusts were not representative of the entire population of good performing, standalone schools and multi-academy trusts involving small rural primary schools in England.

Interviews

60. We developed semi-structured questionnaires that we used as part of face-to-face interviews with the participating schools and trusts including informed consent procedures in relation to confidentiality and anonymity. Each interview took up to three hours.

61. The interview questions were in line with the research questions. They aimed to obtain verbal information from headteachers, multi-academy trust chief executives, business managers, finance officers, chairs of governors, and equivalent roles in each of the participating schools and trusts.

62. In addition, we conducted 14 telephone interviews with representatives of stakeholders to the education system, including local authorities, Church of England, the department's Regional School Commissioner offices, and Ofsted. The department selected the interviewees based on internal information that suggested they had exposure to small rural primary schools as part of their roles.

63. We followed up most of the interviews by email to seek clarifications and additional documents relevant to the information provided at the interviews, including information that features as case studies in this report.

64. A total of over 60 individuals participated in the interviews conducted as part of this research. Around 20 of them participated in an online session where we shared initial findings from the research. Some of the points raised at the online session helped us produce final findings.

This report

65. This report provides a summary of the findings obtained from the interviews with participating schools and trusts, and stakeholders. It summarises the common themes identified through the interviews by using frequency references such as 'all', 'the majority', 'some', or 'a few participating schools and trusts'.

66. However, given the qualitative nature, and the small number of the interviews, these frequency references should be taken just as indications, rather than quantitative findings. To ensure anonymity, references to 'a few' may actually refer to just one participating school or trust.

67. We coded some of the information provided at the interviews in order to group participating schools and trusts, and estimate how many of them fell within different groups. Again, these are just indications that help identify patterns, rather than quantitative findings. Details are available in the appendix to this report.

68. Quotes in inverted commas do not necessarily represent 'verbatim', word-by-word passages from the interviews. This is to make the language used in this report simpler.

69. The department reviewed early drafts of this report. We considered the feedback provided by the department before producing this final published version of the report.

70. We also shared early drafts of the case studies with the relevant participating schools and trusts. We considered their feedback, and met their requests for the case studies to be attributed to them or remain anonymous.

71. Whilst we considered their feedback, it should not be interpreted that we agreed the contents of this report with either the department or the participating schools and trusts. This report is the result of our independent research.

Limitations

72. The main limitation affecting this report is that its findings cannot be taken to be representative of all good performing, small rural primary schools in England.

73. In addition, the findings are the result of summarising facts, views and perceptions shared verbally at the interviews. We did not verify these through alternative sources of information.

74. Other limitations include:

- The department's sampling work was not independently checked, and may include participating schools and trusts that do not necessarily perform well in terms of their pupil attainment, finances, and Ofsted assessments.
- The practices highlighted as part of the case studies, examples and illustrations throughout this report are not the result of applying any particular set of good practice criteria.

Section 1: financial management

75. The research questions relevant to this section of the report are the following:

- How are schools run in a financially viable way, including support functions?
- How do schools overcome the challenges they face due to their size and lack of economies of scale?
- How are school finances monitored and managed?
- What revenue generating activities and opportunities exist?

76. The interview questions that we agreed with the department and are relevant to this section of the report include the following:

- How would you describe the financial position of your school? Does your description also apply to the 2017-18 school financial year, which is coming to an end shortly? What about 2018-19? What is the main reason you think this will be the case?
- Do you have a business plan? If yes, does it include projections of income, expenditure, and variations in pupil numbers?
- What are the governance arrangements around monitoring income and expenditure?
- How do you identify financial risks, for example your expenditure reaching levels higher than your income?
- Is there any initiative taking place at your school which you think is helping you to improve your financial position, in other words: to achieve healthier operating margins?

77. Through our interviews with participating schools and trusts, we became aware of a wide range of circumstances within which small rural primary schools work. In some cases, their pupils attracted no pupil premium, or special educational needs funding. In some other cases, the proportions that these pupils represented over the total number of pupils were reported to be larger than in other types of schools, including larger schools in urban settings.

78. Partly as a result of socioeconomic factors like the ones just mentioned, there is no single best way of managing small rural primary schools financially. In addition, practices that may be suitable at a particular point in time may need to change shortly afterwards, including because of a sudden change in pupil numbers, or staff. The majority of participating schools and trusts perceived their financial practices to be in

response to current circumstances and short term changes, and not necessarily applicable longer term.

Funding context and challenges

79. Many of the participating schools and trusts explained the characteristics of the context in which they operate. In this section, we elaborate on four of those characteristics: in-year balances; fixed expenditure; year-on-year changes; and non core grant funding and self-generated income.

In-year balance

80. The difference between the available income, and the actual expenditure required to run a school during the school financial year can be an indication of how healthy the finances of the school are. Spending less than the available income is referred to as 'having an in-year surplus' and can be an indication of good financial health, particularly if it happens continuously over a number of years. Spending more than the available income is referred to as 'having an in-year deficit' and can be a sign of financial risks, particularly if it happens continuously over a number of years. Budgets indicate how the available income should be spent as the year progresses to meet all the different types of expenditure required to run the school.

81. The funding system for schools, which involves decisions at both the department's and local authorities' levels, is designed to meet the needs of the pupils each year, and not necessarily to achieve an in-year surplus. Certain rules apply to the amounts of surplus that can be carried forward each year as future reserves, and the purposes and timescales within which they need to be spent.¹⁶

82. As a result, the ability of schools to achieve in-year surpluses and build up reserves is limited. This also has implications for their capacity to attempt innovative initiatives, which are by definition untested practices, and therefore carry risks and may result in financial losses.

Participating schools and trusts

83. If we combine the nine standalone schools, and twelve multi-academy trusts that participated in the research for this report, we obtain a total of 90 primary schools. Of

¹⁶ For an example applicable to maintained schools, see Birmingham City Council, Management of surplus and deficits balances, available at https://www.birmingham.gov.uk/downloads/file/8777/management_of_surplus_and_deficits_balances

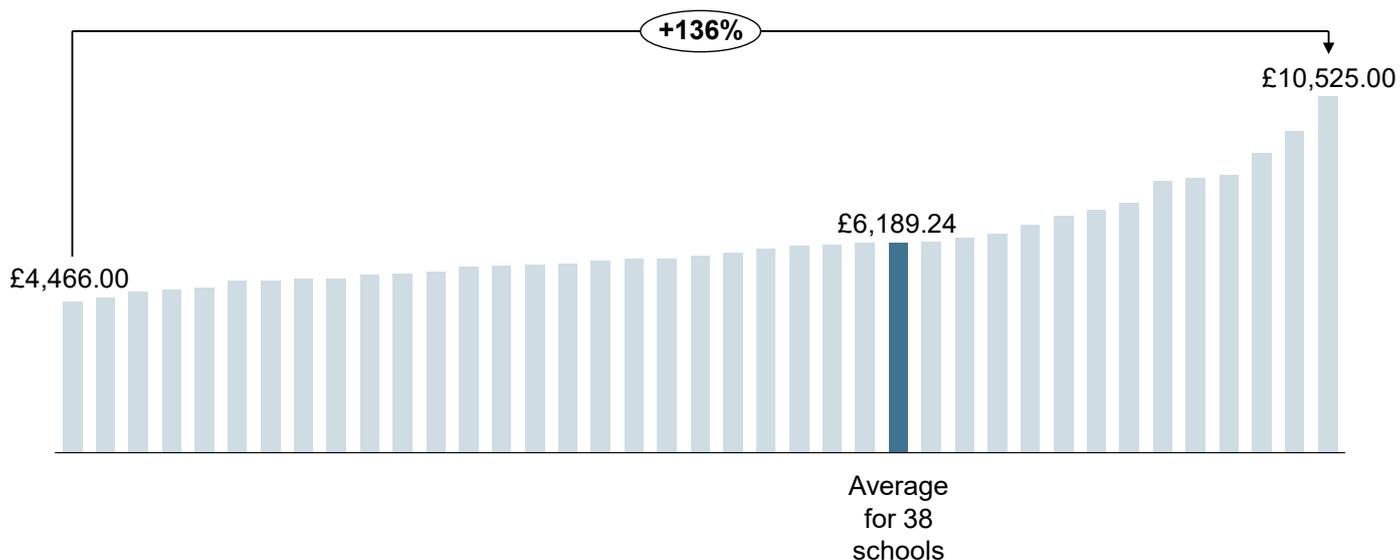
these, 38, or 42 per cent, had fewer than 110 pupils and were available as part of the department’s financial benchmarking tool at the time of research.¹⁷

84. As shown in Figure 1, below, the average income per pupil available across the 38 schools was £6,189.24 in 2016-17. Approximately 94 per cent of this was from grant funding, such as the Government’s dedicated school grant, and six per cent was from self-generated sources of income, such as charity fund raising events.

85. On the other hand, the average expenditure per pupil was £6,285.77, as shown in Figure 2, below. At an average of 70 per cent across the 38 schools, most of the expenditure was for staffing, including salaries for headteachers, teachers, teaching assistants, and business support staff. Figure 3, below, shows the range of percentages that staff represented within the total expenditure across the 38 schools.

86. The average in-year balance was a deficit of £136.50 per pupil. This is the average of all the in-year balances, as opposed to the difference between the average income and average expenditure figures quoted in previous paragraphs. Figure 4, below, sets out the range of in-year balances across the 38 schools.

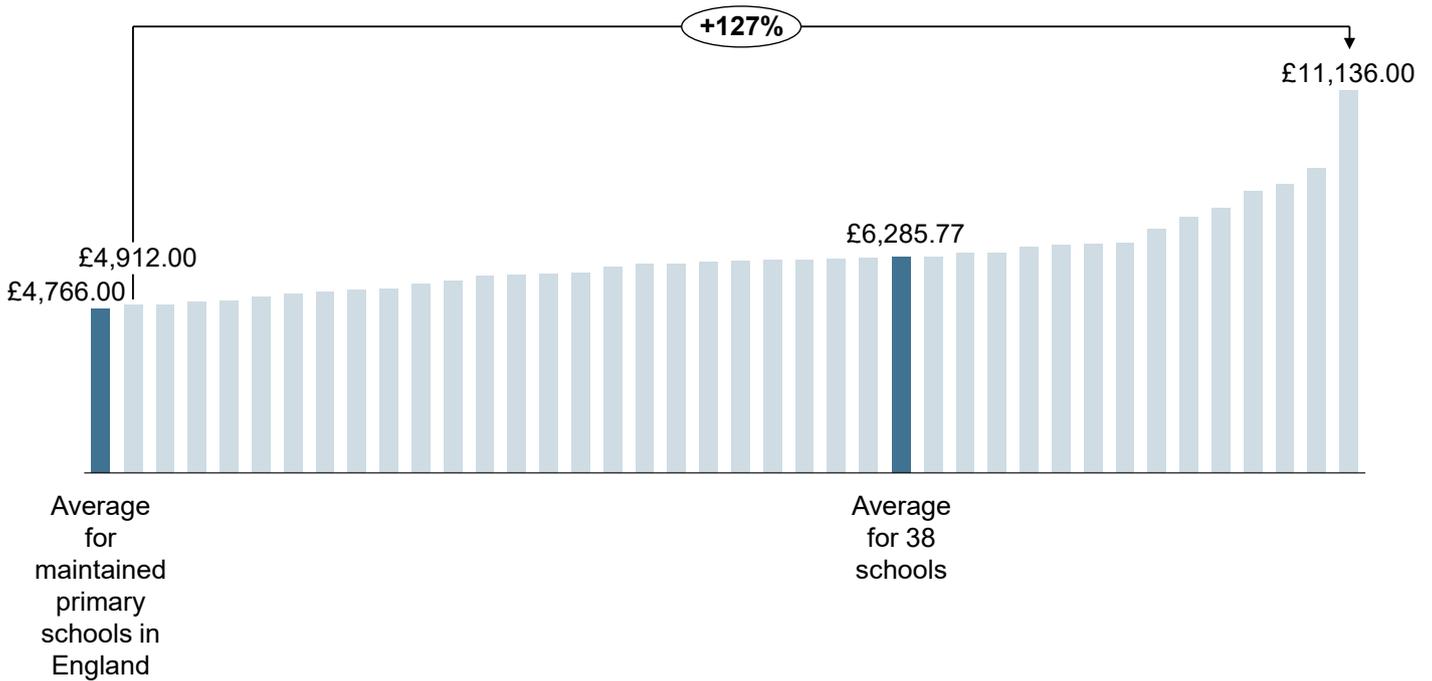
Figure 1 Income per pupil across 38 schools with 110 or fewer pupils from participating schools and trusts, 2016-17 (£, and percentage change between minimum and maximum)



Source: Department for Education, School financial benchmarking tool

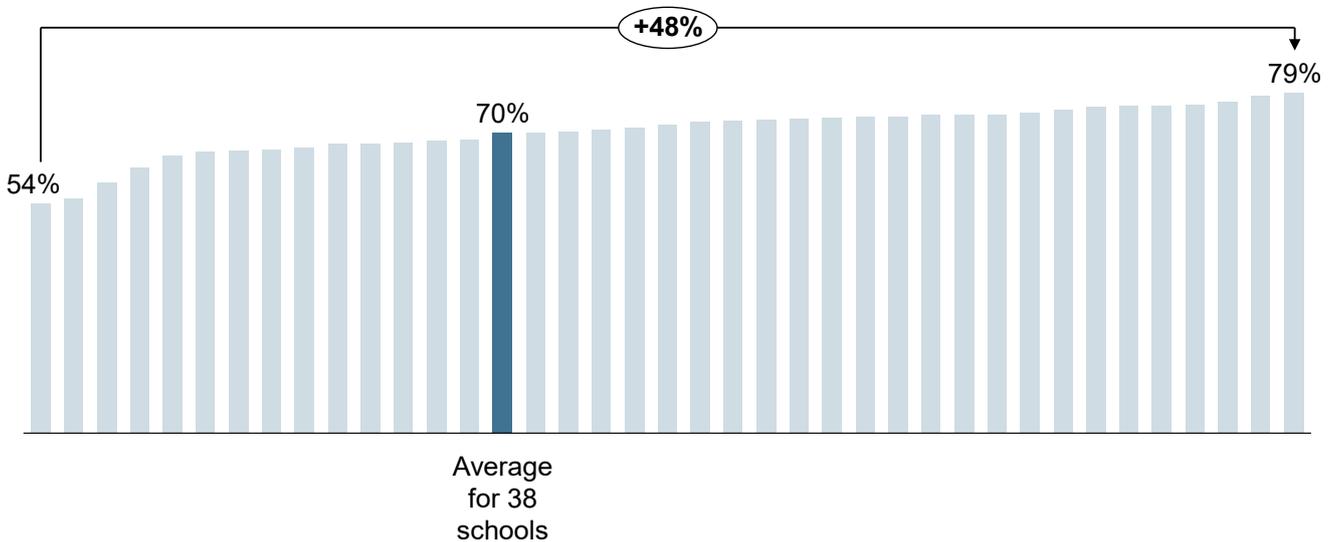
¹⁷ Gov.uk, Schools financial benchmarking, available at <https://schools-financial-benchmarking.service.gov.uk/>

Figure 2 Expenditure per pupil across 38 schools with 110 or fewer pupils from participating schools and trusts, and average for maintained primary schools in England, 2016-17 (£, and percentage change between minimum and maximum)



Source: Department for Education, School financial benchmarking tool; Expenditure by local authorities and schools on education¹⁸

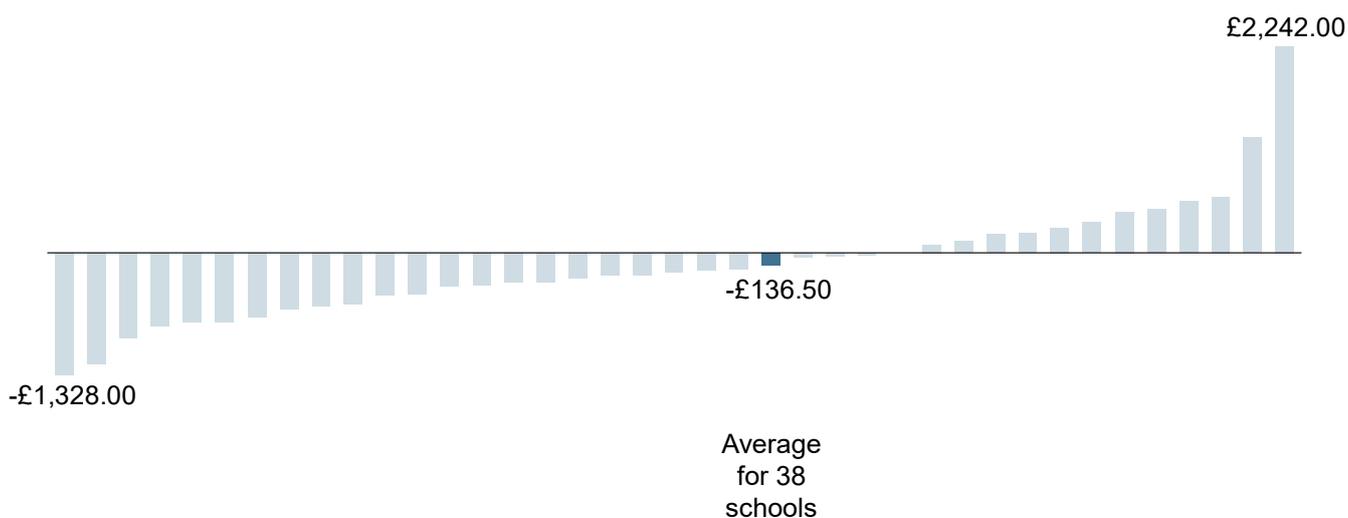
Figure 3 Staff expenditure percentage across 38 schools with 110 or fewer pupils from participating schools and trusts, 2016-17 (% , and percentage change between minimum and maximum)



Source: Department for Education, School financial benchmarking tool

¹⁸ Department for Education (2017), Expenditure by local authorities and schools on education, children and young people's services in England, 2016-17, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/666863/SR71_2017_Text.pdf

Figure 4 In-year balance per pupil across 38 schools with 110 or fewer pupils from participating schools and trusts, 2016-17 (£)



Source: Department for Education, School financial benchmarking tool

Practices in relation to in-year deficits

87. At our interviews with participating schools and trusts, we were made aware of some small rural primary schools that were experiencing, or were forecast to shortly experience, in-year deficits, this is, their grant funding and self-generated sources of income were lower than the yearly expenditure required to run the schools.

88. The most common practice identified at the interviews to address in-year deficits was to use historical reserves. Some participating schools and trusts designed their budgets to achieve additional reserves equivalent to approximately three to five per cent of their grant funding each year. A few reported having achieved these levels of reserves successfully in recent years, which allowed them to address in-year deficits.

89. In contrast, the majority of the participating schools and trusts said that reserves should be used in the event of an emergency, such as a large repair as a result of an unexpected weather event, rather than to meet in-year deficits. One stakeholder interviewee described reserves as ‘a thing of the past’ in reference to their limited availability across schools currently.

90. Where reserves were not available, it was common to put a recovery plan in place to make up the deficit, and meet future yearly costs as soon as possible. Examples of practices as part of recovery plans include replacing senior with more junior teaching staff; opting out of supplier contracts, such as certain types of insurance; and turning some existing full time roles into part time roles.

91. We will elaborate on these and other examples of practices later in this report. Case study 1, below, illustrates how one participating school approaches in-year balances.

Case study 1 Projections of in-year balances by standalone school

Context

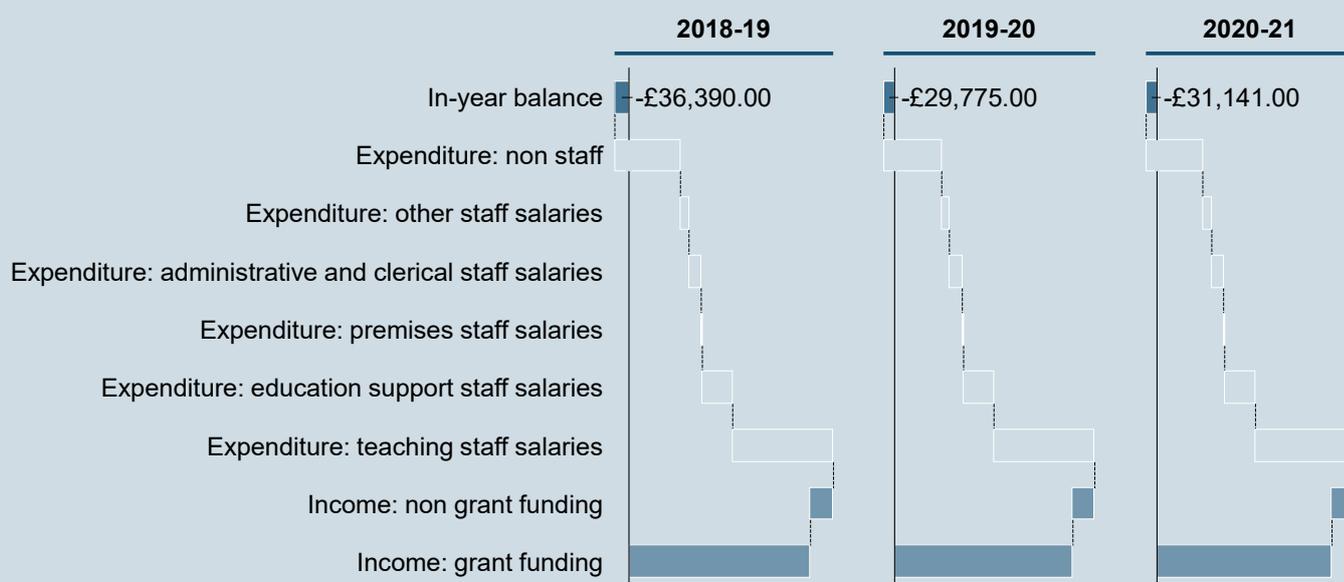
This standalone school has a four mixed-age class structure.

Each class has one teacher. Not all of the teachers are full time. In addition, there are teaching assistants who support teachers across all four classes.

When teachers are participating in continuous professional development activities, this is covered by teaching assistants. When teachers are participating in planning, preparation and assessment this is covered by a mixture of teaching assistants and other teachers.

With approximately 25 pupils in each of the four mixed-aged classes, this school is running at full capacity considering the size of its premises.

Financial projections



This school had some reserves in 2017-18. However, the projections for 2018-19, 2019-20 and 2020-21 show in-year deficits which will use up the reserves and result in a cumulative deficit close to £40,000 by 2020-21.

Practices

Working with the governors, the headteacher is considering opportunities to achieve savings and maintain performance. Options include reducing the number of teaching assistants and sharing senior roles with another school.

Source: Anonymous

Fixed expenditure

92. The main reason for the in-year deficits identified by most of the participating schools and trusts was that most of the income for the small rural primary schools came from grant funding. Because grant funding was reported to be mainly calculated on a per-pupil basis, and pupil numbers for the schools in scope were low, the result of the grant funding calculation might be lower than the minimum fixed expenditure required to run a school.

93. It was not possible as part of the research for this report to identify a discrete list of minimum fixed expenditure items that: are required to run a school; do not necessarily decrease when pupil numbers are low; and can be related to schools under certain number of pupils experiencing in-year deficits.

94. Some interviewees from the participating schools and trusts mentioned that one teacher was always required during school hours for each of their mixed-age classes, and also a teaching assistant depending on the needs of the pupils. This was, for example, regardless of whether the class had 12 or 24 pupils. Similarly, interviewees explained that the maintenance costs for the school premises did not necessarily change in line with pupil numbers.

95. As part of the stakeholder interviews, one interviewee said the following: 'In terms of the challenges, viability is the obvious one: attracting a level of funding that will keep the school going. Each of these schools has infrastructures and facilities: roofs, classrooms, playgrounds, fire doors, all that sort of stuff. And yet, their pupil numbers do not necessarily match the infrastructure needs'. Another stakeholder interviewee said that small rural primary schools that exceeded 100 pupils could balance their finances, however those that had below 50 pupils struggled to do so as a result of the fixed costs they needed to meet.

96. As stated in the background section, the findings in this report reflect the situation prior to the introduction of the national funding formula plans (NFF) for 2018-19. As part of the school-led criterion of the national funding formula, every school gets allocated a lump sum of £110,000 notionally. This is relevant to the references to fixed expenditure made by participating schools and trusts.

Year-on-year changes

Grant funding

97. As explained by participating schools and trusts, the grant funding for the schools is partly calculated on the basis of previous year's pupil numbers. This is usually the number of pupils as at the month of October prior to the school financial year when the schools have the funding in place, and is also referred to as 'last year's October census'.

98. As a result, if a school experiences an increase in pupil numbers with respect to the previous October, this may mean a shortage in funding and an in-year deficit. On the other hand, if the school experiences a decrease in pupil numbers, this may mean that the school can achieve an in-year surplus.

99. Whilst these aspects of the funding system apply to all types of schools, in the case of schools with under 110 pupils, a seemingly small variation in pupil numbers, for example, a 12 pupil increase or decrease, may represent approximately a 10 per cent variation in the per-pupil aspects of the grant funding available to the school.

100. Notwithstanding these risks, grant funding becomes more in line with pupil numbers over time. For example, an increase in pupil numbers this year, which was not taken into consideration in the funding calculation for this year, will eventually be taken into consideration next year, when the funding calculation takes this year's pupil numbers as a basis.

101. As an illustration, one of the participating standalone schools experienced an approximate 30 per cent drop in its pupil numbers in 2016-17 with respect to 2015-16, and an approximate 10 per cent increase in 2017-18 with respect to 2016-17. These changes were the result of new families moving in and out of the area, and described as unexpected by the headteacher.

102. 'You have to take the rough with the smooth' was the way the finance officer at this participating standalone school described the situation. This was in reference to the fact that the income available in 2016-17 had been calculated on the basis of a number of pupils, that for 2015-16, which was larger than the actual number in that year, and therefore, other things being equal, the finances were easier to balance. However, in 2017-18 the situation was the opposite. As a result, short term financial challenges may be addressed in the longer term as funding is calculated again and school management decisions gradually adapt to the new situations.

103. Another aspect of the funding system that was mentioned by some participating schools and trusts as putting pressure on their finances was in relation to school teachers' pay and conditions, which were followed by all participating schools and trusts.¹⁹ Teachers' pay and conditions might involve salary increases each year, whereas the grant funding received each year was reported by participating schools and trusts as not necessarily keeping pace with that.

104. In addition, some participating schools and trusts also said that the timing for confirming school teachers' pay and conditions each year was too late compared to when

¹⁹ Gov.uk (2018), School teachers' pay and conditions, available at <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>

schools needed to have the following year's budgets in place, and all the associated decisions agreed with governors and other stakeholders.

Class structure

105. All the small rural primary schools involved in the research for this report had mixed-age classes. This could be, for example, a four mixed-age class structure whereby nursery and reception pupils shared one class, years 1 and 2 shared another class, years 3 and 4 shared another class, and years 5 and 6 shared another class. Each class was led by one teacher, who may be referred to as the 'lead teacher' for the class, and typically also involved one teaching assistant, particularly if some pupils had special educational needs.

106. The majority of the participating schools and trusts considered their class structures to be stable. A few said that their current class structures would need to change in the next two to four years. The reasons for changing class structures included unusually high or low intakes of new pupils, typically at reception.

107. In the case of unusually high intakes, the allowed maximum numbers of pupils per class might be compromised. To avoid this, an option identified by participating schools and trusts was to open a new class. However, this might involve financial pressures. The reported reason for this was that the per-pupil aspects of the grant funding would increase according to the new intake, but perhaps not enough to meet the extra expenditure required to make a new class available.

108. As one interviewee put it, 'if your pupil numbers grow, you want them to grow by a lot, not just by a few, because if you need to open a new class just to accommodate three or four more pupils, then you need a new teacher to run the class, and their salary might be much more than the extra funding you get'.

109. As an illustration, one of the participating standalone schools operated a three mixed-age class structure whereby reception and year 1 shared one class, years 2 to 4 shared another class, and years 5 and 6 shared another class. The headteacher explained to us how unusually large intakes of new pupils in the past might mean introducing a new class the year after the research for this report took place, and so moving on to a four mixed-age class structure. This was because the unusually large intakes would be together in the same mixed-age class, alongside others, and as a result the total number of pupils in the class would exceed the allowed maximum number.

110. In a situation like this, a new teacher would need to be employed, and potentially also a new teaching assistant, although teaching assistant hours available elsewhere in the existing team could be used for the new class. The headteacher for this standalone school considered that these arrangements would only be temporary, because once the older intakes move on to the next mixed-age class up, or 'graduate' and leave the school,

the previous three mixed-age class structure would be appropriate again, and potentially the newly employed teacher would need to be released.

111. Whilst turning down applications would have been a possibility for this standalone school in the past, it would have been difficult to do this on the basis of estimated future constraints. In other words, small rural primary schools do benefit from taking in as many new pupils as reasonably possible, and not doing so because in future years, rather than now, the new pupils might compromise maximum allowed class sizes would be risky. The reasons for this include uncertainties around the number of existing pupils who might move to other schools in the future, and so reduce the probability that class size risks actually materialise.

Capacity

112. The majority of the small rural primary schools included in the research for this report were operating at full, or nearly full capacity, including fully utilising their building spaces. A few were oversubscribed, which means they were unable to accept all the admission applications they received each year due to lack of capacity. In contrast, a few had spare capacity, including options to turn some of their building space into new additional classes, which means they could accommodate more pupils within their existing teaching teams and premises.

113. As an example, one of the participating standalone schools was operating at approximately half capacity. The current pupils were from both within and outside the school's catchment area. Some new housing developments locally made the headteacher think that pupil numbers might increase in the near future. This school maintained relationships with other local schools and organisations to ensure they did not miss any opportunity to attract new pupil applications.

114. In these cases, an increase in pupil numbers of the sort reported in the previous section, which could involve introducing new mixed-age classes, would mean a better use of the resources already committed by the small rural primary school. In this respect, one of the stakeholder interviewees warned about the implications of efforts to attract new pupil applications, including the risk that one school's growth results in another neighbouring school's reduction in size, and exposure to challenges of the sort explained earlier in this report.

Non core grant funding

115. Some of the participating schools and trusts said that non core grant funding such as that from the pupil premium, the high needs block, and the physical education and sport premium, whilst intended to support particular pupil needs or aspects of the national curriculum, might contribute to achieving a good, overall financial balance. Where these income sources were not applicable, for example, because no pupils qualified for the

pupil premium, many participating schools and trusts felt it was harder for them to avoid in-year deficits.

Self-generated income

116. Self-generated income represented an average of £360.74 per pupil, or around 6 per cent of the income across the 38 primary schools from the participating schools and trusts with 110 or fewer pupils and information available in the department's financial benchmarking tool.

117. Whilst many participating schools and trusts identified self-generated income sources as a potential solution to financial pressures, they also considered these opportunities to be very limited, including because of lack of staffing capacity to explore the more complex ones, such as making the facilities available during weekends and school holidays. Other reported constraints included school premises and equipment not being suitable for activities involving adults after school hours, for example in relation to small size furniture; locations being difficult to access and unattractive to potential users; and limited knowledge of how to manage alternative activities that can take place on school sites.

118. The participating schools and trusts identified a range of sources of self-generated income which they did have in place at the time of research. The majority organised fund raising events, often involving parent and teacher associations, such as graduation celebrations, and cake selling festivals. The income from these events contributed to the cost of activities that benefit the pupils but are not necessarily affordable within the available grant funding, such as buses to participate in sport competitions, outdoor equipment, or library books.

119. Other examples include:

- breakfast, after-school, and holiday clubs, which in some cases allowed covering costs and achieving some extra income on top;
- training provision by senior teachers to other schools, for example paid-for presentations to other schools; and
- letting out premises: during after-school hours, for example, for yoga lessons attended by local adults; for a few days, for example, as summer camp or caravan parking; or full time, for example, to run a nursery.

Practice summary for funding context and challenges

120. The findings in this section can be the basis for some practices, including:

- To design budgets to achieve additional reserves equivalent to approximately three to five per cent of the grant funding received each year.

- To identify a discrete list of minimum fixed expenditure items that are required to run a school, irrespective of pupil numbers, and take it as a basis for financial budgeting, management and monitoring.
- To forecast year-on-year changes, including in terms of pupil numbers, income and mixed-age class structures, and how the challenges faced one year might be balanced in later years.
- To maintain relationships with other local schools, including secondary schools, and organisations to seize every opportunity to attract new pupil applications, as long as this does not involve challenges in terms of lower pupil numbers for other neighbouring schools.
- To consider fund raising events; breakfast, after-school, and holiday clubs; training provision by senior teachers to other schools; and letting out premises.

121. The findings in this section included challenges for which no specific practices were identified, such as:

- Lack of staffing capacity to explore, and put into practice the more complex types of self-generated sources of income, such as making the facilities available during weekends and school holidays.
- Some premises not being suitable for activities involving adults after school hours, and locations being difficult to access and unattractive to potential users.

Budgeting, monitoring and financial practices

Budgeting and monitoring

122. Among the participating schools and trusts, the financial budgeting and monitoring functions were typically met through a dedicated role, such as a business manager, finance officer, or administration assistant. The dedicated role might be part time depending on the needs of the small rural primary school. It was common to use software programmes to budget and monitor the income, the cash available in the bank accounts, and the actual expenditure.

123. All participating schools and trusts said that they needed to monitor their finances in detail and regularly, including on a weekly basis. This was particularly the case in relation to ensuring that the expenditure remained within the available income, as budgeted for the year. In some cases, participating schools and trusts operated within budgets that involved an in-year deficit.

124. Monthly reports were usually discussed between the dedicated role and the headteacher. On a termly basis, both of them met with the school governors' finance

committee, and the whole governor board, to discuss progress against budgets and financial risks and opportunities.

125. A few stakeholder interviewees said that small rural primary schools did not have a good understanding of their finances, and in particular how they could make decisions at present that could help them become sustainable into the future. They could see opportunities to improve monitoring and reporting systems, and achieve savings, such as sharing headteacher roles, as explained later in this report.

Maintained schools and multi-academy trusts

126. In the case of those participating standalone schools that were maintained by local authorities, the role of the finance officer sat with the local authority. It involved working with the schools to set the budgets for the year, and making termly visits to the schools to discuss financial risks and opportunities.

127. Some of the participating schools and trusts shared the view that maintained schools were under lighter scrutiny compared to schools that were part of multi-academy trusts. This was particularly the case if they were perceived to be overall good performers.

128. As an example, one of the participating standalone schools, which was a maintained school, found the financial support received from its local authority to be overall good. This participating school explained to us that they had recently overspent in certain budget areas. This required discussions with the governing body, but was not challenged by the local authority following the submission of the school financial reports. The school felt that only larger overspends might require direct involvement of the local authority.

129. Participating trusts described financial budgeting and monitoring processes that were similar to those used by standalone schools. The main difference was that the dedicated roles sat with the trust's central teams and worked with headteachers at a number of member academies. Case study 2, below, shows an example of a financial monitoring and reporting system used by a multi-academy trust. Later sections elaborate on trust's central teams.

Case study 2 Financial monitoring and reporting system by multi-academy trust

Context

This is a small trust with fewer than ten member academies, which are all small rural primary schools. Building on its own experience, the trust is improving its financial monitoring and reporting system.

Month end practices

All the actions required by the end of each month are listed on a template called 'month end procedure'. This was developed by the trust in collaboration with a team of accountants. It is presented to the trust's Accounting Officer and Finance Director on a monthly basis.

As part of the month end procedure, the Trust Business Manager closes down the previous month's period by completing the bank reconciliation, printing aged debtor and creditor reports for each member academy, and reconciling the payroll for all staff.

A key aspect of the Trust Business Manager's role is to work on the trial balance report, which sets out the income and expenditure for each individual member academy. The focus is on checking their month end position.

Also on a monthly basis, the Trust Business Manager monitors the opening cash balances for each member academy and forecasts the year end position. This is essentially whether the member academies are likely to experience an in-year deficit or surplus at the end of the year, and how that affects historical and future reserves.

Central team contributions

This trust uses a recharge system whereby the costs of the trust's central team are charged to each member academy on a monthly basis. This calculation is done by the Trust Business Manager as part of the trial balance report.

The Trust Business Manager works out the cost of the trust's central team; then divides it by the total number of pupils in the trust; and then multiplies the result by the number of pupils in each member academy taken from the previous October's census.

The Trust Business Manager deducts the central team charge from the accounts of each individual member academy, and credits it to the trust's central team account.

Year end practices

The majority of the year end actions come together in a separate report that sets out budget versus actual versus committed expenditure. On this report, the Trust Business Manager applies a traffic light scheme showing areas for concern or action.

At the end of each year, the Trust Business Manager produces separate financial performance reports to show where each member academy is against their budget, and compared to some key performance indicators, including benchmarking with other regional and national schools.

The school financial performance reports also provide some narrative so that heads of school can interpret the figures more easily. They are also the basis for a trust wide report. A key feature of the trust wide report is a graph that shows income and expenditure performance against the budget.

Results

The Trust Business Manager said: 'We have been completing these reports for the last six months and we are still developing them as we go but I consider them to be an improvement on what was done previously.' The reasons for this include a greater ability to anticipate risks and opportunities, and base decisions on more accurate financial figures.

Source: The Link Academy Trust

Practices

130. Those among the participating schools and trusts who experienced balanced finances, including achieving in-year surpluses and being able to build up reserves, were unable to identify a specific set of practices that could help others to also balance their finances. As one interviewee put it, 'I don't quite know how we do it; we are just tight, I suppose! Don't spend if you don't need it!'

131. Through the interviews, we became aware of situations that were described to us as exceptional and resulted in in-year surpluses and reserves. Examples include one-off donations, and successful applications for charitable funding made available exceptionally. We believe these specific situations cannot be used as a basis for an analysis of practices that can be applicable more widely across small rural primary schools.

132. Most participating schools and trusts said that the opportunities around balancing their finances through practices within their control were limited in relation to staff expenditure, and the prices they had to pay to external suppliers for support functions.

133. In the case of staff expenditure, which represents around 70 per cent of the expenditure, all participating schools and trusts followed the teachers' pay and conditions

set by the department each year.²⁰ As a result, participating schools and trusts did not feel that staff expenditure allowed them enough room to introduce practices that could help them balance their finances.

134. In the case of non staff expenditure, which represents around 30 per cent of the total, and includes supporting functions, such as contracts with external suppliers for payroll systems or software licences, most participating schools and trusts said that these were secured through a limited number of external suppliers available locally. They did not believe the prices set by these external suppliers were necessarily higher than elsewhere, although they did not have detailed knowledge of the market conditions and prices outside their regions.

135. As a result, participating schools and trusts pointed towards the funding system, as described in previous sections of this report, as the main factor that determined their finances.

136. Against this backdrop, through our interviews, we did identify certain practices that were described to us as able to help small rural primary schools achieve savings and balance their finances. We classified the identified practices into those involving staff, and non staff expenditure.

137. We believe that most of the practices that follow in the next sections are context specific and the result of circumstances that do not necessarily stay in place long term. Therefore, these practices do not necessarily lend themselves to being adopted by others in all circumstances. All practices have advantages and disadvantages, as acknowledged in the next sections.

Staff expenditure practices

138. The two most common staff expenditure practices that we identified through our interviews were to share roles between schools, and to change the combination of senior and junior staff within teaching teams.

Role sharing: headteacher

139. Sharing the headteacher role between two to four schools was the most common staff expenditure practice we became aware of through our interviews. The views on this practice were mixed.

140. Sharing the headteacher role was a practice that usually happened in the context of school federations, and multi-academy trusts. There were also examples of temporary arrangements between standalone schools. This included instances where a

²⁰ Gov.uk (2018), School teachers' pay and conditions, available at <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>

headteacher became unexpectedly unavailable during six months and another one from a neighbouring school agreed to share their time between their usual small rural primary school, and the one experiencing the headteacher absence.

141. The main reported advantage around this staff expenditure practice was that by sharing headteachers the small rural primary schools involved could fully utilise the expertise and experience of the individual headteacher. This was to a level that the responsibilities and workload of one single small rural primary school might not allow. Some participating schools and trusts reported that this could also result in savings for the schools involved.

142. The main reported disadvantage was that another senior staff member was required for those days when the headteacher was not available at the school, including to guarantee the right level of expertise and experience to address potential safeguarding risks, and manage unexpected situations where other teachers or other staff might require support. The salaries for these senior staff could be close to those of a headteacher, and therefore the saving could be relatively small. There was also a risk that at times the workload of the shared headteacher could increase to a point where their work-life balance could be compromised.

143. In addition, a shared headteacher role may result in additional expenses, for example, as a result of the additional travelling required between schools; and insurance premium costs, as a result of the headteacher working on different sites.

144. A few stakeholder interviewees disagreed with the idea that a replacement is required at schools where the headteacher role is shared. The reasons for this included the facts that safeguarding is a shared responsibility across all school staff, who do remain on site when the headteacher is away; and overall teaching standards and pupil attainment are the result of how the lead teachers run the lessons, rather than the more or less immediate availability of the headteachers on site.

145. A few stakeholder interviewees also explained how being a successful headteacher for a single school did not mean being a successful shared headteacher across a number of schools. The skillset was described as different and not necessarily supported by the training options available in most regions. These stakeholder interviewees mentioned examples of federations that were perceived to be failing, partly as a result of shared headteacher roles.

146. Where the headteacher role was not shared, the majority of the participating schools and trusts explained that their headteachers met their management responsibilities as headteachers and also taught as lead teachers in the class. The main reason for this was to contribute to achieving a financial balance. As one interviewee put it, 'we simply would not be able to balance the books if the headteacher was just headteacher and did not do some teaching as well'.

147. A few participating schools and trusts reported having headteachers dedicated just to one small rural primary school without also teaching. This was funded through grant funding and self-generated income. No specific additional income was mentioned at the interviews in relation to non-teaching headteachers.

Role sharing: non core national curriculum subjects

148. The majority of the participating schools and trusts shared roles such as special educational needs coordinators, music teachers, and physical education and sport coaches. This could be, for example, by one school employing these staff and invoicing other schools for the hours the staff were working for them.

149. As an example, one of the participating standalone schools had four mixed-age classes covered by 3.7 full-time-equivalent lead teachers, and another individual who met the following responsibilities: the remaining 0.3 full-time-equivalent requirement for the classes, one day a week as special educational needs coordinator for the school, and another day a week as special educational needs coordinator for another local school who paid to the participating standalone school for this. In addition, guitar and drama lessons were run by external specialist teachers who also worked for other local schools, although each school had separate, and independent contractual agreements with them.

Role sharing: teachers

150. Whilst a few of the participating schools and trusts shared teaching assistants, we did not come across any example of sharing more senior teaching roles such as lead teachers between schools, including schools within multi-academy trusts. The main reason for this, as explained to us, was that individual lead teachers were attached to individual classes, partly as a result of a pedagogical preference for avoiding changing, or having multiple, concurrent lead teachers for the same year group. Other reasons included employment contract arrangements, which lacked mobility clauses; and travelling distances, which made frequent commuting between schools too burdensome.

151. Notwithstanding the lack of shared senior teaching roles between schools, it was common for lead teachers across participating schools and trusts to be released from class work to do preparation, planning and assessment, which did not require moving to a location different to the usual one; or participate in continuous professional development activities, which were only occasional. In these instances, teaching assistants, or agency cover teachers were used to run the teaching activities.

Junior senior staff balance

152. The main practice to achieve balanced finances identified by some participating schools and trusts was to change the combination of senior and more junior teaching staff. This included reducing staff expenditure by reducing the number of upper pay scale staff. The views on this practice were mixed.

153. The triggers for changing the combination of senior and more junior teaching staff included:

- grant funding pressures that did not allow any other option, as reported by the interviewees;
- a perception that upper pay scale staff were not meeting their responsibilities and achieving the expected level of performance, with reported reasons for this including upper pay scale staff having reached this pay scale through promotions over a large number of years in contexts where other alternative candidates were not available; or
- natural wastage, such as resignations or retirements.

154. Figure 5, below, shows the estimated proportions of upper pay scale staff across the nine standalone schools, and twelve multi-academy trust that participated in the research for this report.

Figure 5 Estimated proportions of upper pay scale teaching staff across participating schools and trusts



Source: Aldaba interviews

155. The main risk associated with reducing the number of senior teachers, including upper pay scale staff, was that small rural primary schools do require high levels of expertise and experience within their small teaching teams. This includes to take the lead on managing mixed-age classes, and address safeguarding and other risks that may arise.

156. In addition, the small teaching teams in the participating schools and trusts could only accommodate a low number of more junior teaching staff because these require coaching and continuous professional development activities. The majority of the participating schools and trusts considered coaching and continuous professional development activities to be difficult to undertake as a result of senior teachers' using most of their available time as lead teachers in the class. This in turn was attributed to financial pressures.

157. Another reason why retaining senior teachers in small rural primary schools, including upper pay scale staff, might be the right choice, as reported to us, was that

more junior teachers who are new to the profession tend to choose other types of schools, including in other types of locations. Therefore, it cannot be assumed that replacing senior with more junior teachers can be possible in all circumstances.

158. Where replacing senior with more junior teachers was put into practice, participating schools and trusts were concerned that the situation associated with senior staff expenditure might repeat itself in the near future. All participating schools and trusts wished to make successful, long-term staff appointments. Current junior staff who improve their performance and progress towards upper pay scale positions will eventually attract higher salaries, and put the same pressures on the finances as those that were originally intended to be avoided.

159. As an example, some of the upper pay scale teaching staff at one of the participating standalone schools retired the year before the research for this report took place. The teachers that replaced them were newly qualified teachers, who had lower salaries. The headteacher felt this contributed to achieving balanced finances. The risks associated with having a new, more junior team were addressed by developing training, including on the school's principles, and teaching methods that had worked in the past; and through coaching activities led by the headteacher.

160. In contrast, the approach taken by some of the participating schools and trusts was to reduce the number of junior, rather than senior, teachers. This was on the grounds that their support to more senior teachers was useful, but not critical. Examples include one participating standalone school that confirmed would consider making teaching assistants redundant due to financial pressures, and another participating standalone school that was already planning to reduce the number of teaching assistants as one of the first actions to address a forecast in-year deficit.

161. A few participating schools and trusts opposed the idea of replacing any type of staff based mainly on financial considerations. This was because of the implications for the individuals that might be released, including the impact on their family budgets, and inconsistencies with the school's principles, including being supportive and inclusive in relation to all staff and pupils.

Non staff expenditure practices

162. Given the relatively small proportion that non staff expenditure, including support functions, represents over the total expenditure, some participating schools and trusts felt that no change to this type of expenditure could make any important difference in terms of achieving a financial balance, regardless of how much effort was put into finding savings from the associated activities. Some others felt that achieving a financial balance was the result of many small savings, including in relation to non staff expenditure. As one interviewee put it, 'if there was a single silver bullet, we would have known a long time ago'.

163. The most common practice identified through our interviews was to request quotes from available external suppliers regionally, compare the quotes received, and select the quote that represented best value for money within affordability limits.

164. Where external suppliers provide physical location-based services, such as grounds maintenance and catering, the majority of the participating schools and trusts felt that the options available to them were limited due to the rural locations of the small schools, which attract fewer external suppliers than more densely populated areas. The reasons for this, as reported to us, might include the long distances and poor road conditions involved in delivering goods and making staff available on the school premises. Software based services, such as access to certain accounting management systems online, is less constrained by the location of the external supplier.

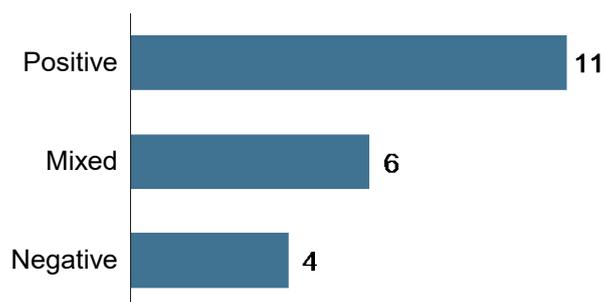
165. A few participating schools and trusts admitted that their knowledge of the external suppliers available in their region was limited. The suppliers currently in place had been chosen historically by the schools, on many occasions by predecessors to those staff currently in post, and had not been reviewed or changed recently. This also applied to a few trusts who had relatively large central teams and considered a review of their external suppliers as a priority going forward.

Local authority services

166. In the case of support functions such as school improvement, catering, payroll services, and legal support, all participating schools and trusts referred to those provided by their local authorities. In some cases, they were using the local authority services through service level agreements. In some other cases, they were not using them, but were aware of them as an option they might choose in the future. This included multi-academy trusts.

167. Figure 6, below, sets out the perceived effectiveness of local authority services across the participating schools and trusts.

Figure 6 Perceptions of local authority services across participating schools and trusts



Source: Aldaba interviews

Economies of scale

168. Economies of scale were mostly mentioned at the interviews in relation to non staff expenditure. However, the findings on the extent to which small pupil numbers result in reduced economies of scale, such as failing to qualify for volume discounts, was mixed.

169. Some of the participating schools and trusts secured volume discounts by facilitating collaborations between schools. This might be by joining an existing network that has a wide remit to provide services for their members, including networks that support large numbers of schools, for example over 200 schools.

170. An example of this is a participating standalone school that was part of a local network that provided continuous professional development courses to their members in exchange for membership fees. The perception was that these courses were cheaper this way than purchasing them independently.

171. As another example, one of the participating trusts achieved a five per cent discount on grounds maintenance by combining the services for a number of its member academies as part of one single contract. Another similar initiative by the same trust related to an online system for all member academies to manage parents' cashless payments, which was also perceived to have produced savings, and applied to certain paid-for services, such as residential activities for children.

172. A few participating schools and trusts felt that the volume discounts offered by external suppliers for services such as payroll, insurance, or grounds maintenance only applied to volumes that were much higher than what small rural primary schools could achieve, even by joining up with other schools of similar or larger sizes. For example, mobile phone messages for parents can be for free if arranged for over 500 parent users, as part of wider information technology (IT) contracts. One of the participating standalone schools did not meet this level of parent users, and felt would not do so even if it joined up with other neighbouring schools, all of which were of similar sizes.

173. In contrast, a few participating schools and trusts said that there were also some discounts for small organisations, for example, where the number of software licence users remain under certain thresholds. Small rural primary schools might only secure such discounts while their pupil and staff numbers remained low.

174. A few participating schools and trusts also said that the discount opportunities they were aware of were not necessarily size related, but instead in relation to time commitments, for example, agreeing to stay with the same provider for a number of years, and paying cancellation fees if the service was terminated at an earlier point.

175. Case study 3, below, explains how a participating trust perceived they had achieved savings through a catering contract.

Case study 3 Catering contract led by multi-academy trust

Context

This is a large trust with over 10 member academies involving small rural primary schools and other types of schools and educational organisations. The contract for school meals at five of the member academies within the trust were due for renewal.

Tendering process

The trust worked with a total of over 40 schools in its region, including from outside the trust. Each school had an opportunity to review the tenders received and decide whether the offers suited their needs.

Results

The successful tenderer is now delivering catering services for the schools. The trust considers that this arrangement is resulting in savings which could not have been possible if its member academies had secured their catering services independently, or as a trust without involving other schools in the region. No quantitative estimate of savings was made available to us.

Source: Truro & Penwith Academy Trust

Practice summary for budgeting and monitoring

176. The findings in this section can be the basis for some practices, including:

- To develop month, and year end templates for financial budgeting and monitoring, for example, as explained in case study 2.

- To assess the option of sharing roles between schools, including headteachers, teachers, teaching assistants, and those responsible for non core curriculum subjects; flexible teaching and staff resourcing practices can help cover the national curriculum in full.
- To assess the option of addressing the balance between senior and more junior staff.
- To review the external suppliers currently engaged in light of other options available.
- To collaborate with others to explore opportunities to reduce non staff expenditure.

177. The findings in this section included challenges for which no specific practices were identified, such as:

- Limited options available locally in relation to physical location-based providers, including as a result of long distances and poor road conditions.
- The extent to which joining up with others results in volume discounts.

Multi-academy trusts

178. In addition to the twelve multi-academy trusts, the nine standalone schools that participated in the research for this report had considered becoming part of a multi-academy trust in the past. As a result, all participating schools and trusts had views on how multi-academy trusts could influence the financial management of small rural primary schools.

179. All participating schools and trusts reported that multi-academy trusts do not involve additional grant funding for small rural primary schools. The trusts may benefit from conversion funding for those schools that used to be maintained by a local authority before joining the trust²¹, and also some trust development grants that may be available from the department²². However, these types of funding aim to help set up the trust, including administrative and financial procedures, and are non recurrent.

180. The main financial advantage that multi-academy trusts can bring, according to most of the participating schools and trusts, is opportunities to achieve savings, mainly by

²¹ Department for Education (2016), Sponsored academies funding: advice for sponsors, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/511128/sponsored_academies_funding_advice_for_sponsors.pdf

²² Gov.uk (2010), Academy conversion: support grant forms, available at <https://www.gov.uk/government/publications/academy-support-grant> ; (2015), Convert to an academy: guide for schools, available at <https://www.gov.uk/guidance/convert-to-an-academy-information-for-schools/3-prepare-for-conversion>

sharing roles and securing discounts in external supplier contracts. These are activities led by the central teams within the multi-academy trusts, which are funded through contributions from the trusts' member academies.

Central teams

Funding models

181. Most of the participating trusts, usually when they were first set up, calculated the expenditure that they would require to meet the functions they had chosen for their central teams. They then calculated the levels of contributions that they would require from their member academies to meet the central team expenditure.

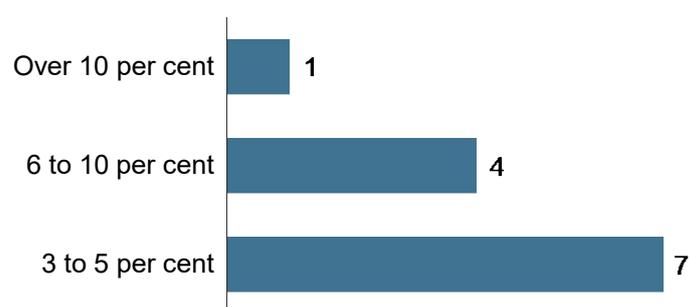
182. Contributions to central team expenditure were usually calculated in line with the size of the member academies. This was by making the contribution required from each member academy relative to the numbers of pupils. As a result, the contributions from smaller schools were smaller in absolute terms compared to those from larger schools.

183. By calculating member academy contributions in advance, central teams can plan on the basis of relatively stable budgets. Similarly, member academies, including small rural primary schools, are aware of the expenditure they require to meet the central team contributions at the beginning of each school financial year.

184. A few participating trusts did not hold budgets for their central teams. Instead, they charged their central team costs to their member academies on a regular basis. This was proportionately to the numbers of pupils if the central team service was used by all the member academies, or separately if the service was just used by a few member academies, for example, separate invoices for grounds maintenance managed centrally and recharged regularly to the accounts of those member academies that used the service.

185. Figure 7, below, shows the levels of contributions that member academies made towards the participating trusts' central teams, including both the 'pre-calculated' and 'as you go' models just described, as informally referred to at some of the interviews. The majority of the participating trusts required central team contributions that were equivalent to between 3 and 5 per cent of the schools block funding in place for each member academy. This was also referred to as the 'general annual grant' or 'GAG'. As explained below, the support received from the central teams varied, which partly explains the differences in contributions levels.

Figure 7 Contributions from member academies towards their trust's central teams across participating trusts, as percentage of school block funding



Source: Aldaba interviews

Roles and services

186. The central teams of the participating trusts held a range of roles. The smallest could have one part time chief executive, one business manager, and some administrative support. The largest could have teams of 15 full-time-equivalent staff or more, and provide a range of functions to their member academies, including central services, such as payroll, accounting, and financial advice; and other types of support such as school improvement, and continuous professional development for teachers. The differences in the sizes and composition of the central teams reflect the different characteristics of the participating trusts.

187. In addition to the roles that supported member academies, central teams might also be responsible for funding and managing contracts with external suppliers. Among the participating trusts, these suppliers typically included for health and safety, certain human resources, and legal advice. They might also include aspects of information and communication technology (ICT), such as pupil attainment tracking systems, although this was perceived to be complex and only at its early stages of development in most cases. Services such as catering, cleaning, and caretaking were commonly managed directly by the member academies, rather than by the trust's central team.

188. As an illustration, the central team for one of the participating trusts required a contribution from its member academies of over 10 per cent of their school block funding. It had 4.5 full-time-equivalent staff, including the chief executive and business manager. In addition, the central team offered a range of resources for school improvement, and support to those with special educational needs, including access to specialist support outside the central team, depending on the needs of the pupils; play therapists; coaching; and training sessions. All these were mostly available through contracts with external suppliers.

189. In contrast, the central team for another participating trust, which had fewer than 10 member academies, required a contribution from its member academies of around 10

per cent of their school block funding. It had approximately 15 full-time-equivalent staff, including dedicated heads of service, such as school improvement; one special educational needs coordinator; one early years specialist; and a number of part-time physical education and sport coaches. The contributions from the member academies were adapted to the level and type of central team support that each member academy received, because not all of them required all the services available from the central team. This trust was planning to make some of its central team services available to schools outside the trust to obtain some additional income.

Size

190. Some participating trusts said that the number of member academies needed to reach a 'critical mass' for central teams to be efficient. By this, they meant supporting a sufficiently large number of member academies to cover the minimum fixed costs associated with a central team. No quantitative estimate was provided as part of the interviews. Any estimate would depend on the functions that the trust wished to be carried out by their central teams.

191. As in the case of the income for individual schools, it was not possible as part of the research for this report to identify a discrete list of minimum fixed expenditure items that do not necessarily change in line with the number of member academies, and might be related to trusts below or above certain number of member academies being able to be more efficient.

192. As an illustration, one of the participating trusts compared how the contributions from its member academies to the central team had changed between one year when the trust had six member academies and a total of just below 500 pupils, and the following year when the trust had eight member academies and a total of just below 700 pupils. The total cost of the central team for the second year was about 2 per cent lower than in the first year, however the per-pupil contributions from member academies were over 30 per cent lower. The reasons for this included a better use of the resources available to run the central team and support the member academies.

193. Case study 4, below, explains how one participating multi-academy trust estimated the value for money of its central team.

Case study 4 Cost benefit analysis of central team at multi-academy trust

Context

This is a small trust with fewer than ten member academies, which are all small rural primary schools. The contributions from its member academies to the central team are among the largest in the sample of participating trusts.

Central team services

The central team has a number of roles, including chief executive, business manager, human resources officer, and a range of administrative roles. Legal support and payroll services are provided by the central team through contracts with suppliers. Similarly, the central team also provides continuous professional development activities to its member academies through contracts with suppliers.

Taking everything into consideration, the central team requires an expenditure of approximately £400,000 each year.

Practices

The central team decided to compare this figure with the savings it believes has helped achieve. This was with a view to understanding its cost effectiveness better.

The savings identified by the central team include the following:

- Reduction, relocation, or replacement of teaching staff.
- Use of high level teaching assistants to reduce expenditure on agency cover teachers.
- Special educational needs resources, and support to disadvantaged pupils provided from the central team, including replacing some roles that used to be hired directly by each individual member academy.
- A cheaper photocopier deal reduced previous photocopier expenditure by 50 per cent, from £4,000 to £2,000
- Bulk purchase of consumables for all member academies, as opposed to separate purchases.
- Funding applications perceived to have been successful as a result of the skills and expertise held by the central team, which was not necessarily available before the trust was set up.
- Information Technology (IT) review resulting in cheaper back-up services, newer and cheaper personal computers for classrooms, cheaper website hosting services, and a free IT review and audit, with total savings amounting to £18,800

Results

In total, the annual savings estimated by the central team were approximately £800,000.

The central team also identified benefits that cannot be quantified, such as contributing to enhancing the reputation of all the member academies, engaging with stakeholders about future growth plans, and being recognised regionally and nationally as a potential model for best practice.

Source: The Link Academy Trust

Financial support and accountability

194. All participating trusts monitored the finances of their member academies separately, including separate budgets against in-year income and expenditure for each member academy. As one interviewee put it, 'each school needs to stand on their own two feet'.

195. All participating trusts provided financial support to their member academies from their central teams. This support included advice on finding savings and balancing the finances.

196. A few participating trusts said that small rural primary schools made small contributions to their central team expenditure in absolute terms, when compared to other larger schools. However, they might require comparatively more support from their trust central teams, for example if they required performance improvement, or had accumulated in-year deficits historically.

197. On the other hand, a few participating trusts also said that larger schools, when they required support from the trust central teams, tended to do so as a result of more difficult issues that could attract a great amount of resources from the central team.

198. A few interviewees stressed that multi-academy trusts were collaborations that required all member academies to see themselves as a collective unit, as opposed to the sum of the individual member academies. It should be in the spirit of a multi-academy trust to recognise that any member academy might need extra support from the others at any point. Therefore, all member academies should be happy to channel the available central team resources to those that need them the most at any given point in time, regardless of their size or levels of contributions to the central team.

In-year deficits

199. Many of the participating trusts had small rural primary schools with current in-year deficits, or being forecast to experience in-year deficits within the next three years.

200. To address this, a few participating trusts gave interest free loans to the member academies that were experiencing an in-year deficit, subject to a repayment plan that was monitored closely by the trust's central team and involved paying back the loan within two to four years.

201. Whilst practices like loans exist, all participating trusts had as a priority for their member academies to achieve financial balances within their income, rather than seeing loans, or similar practices, as routine.

202. As an illustration, one of the participating trusts forecast increasing in-year deficits over the next five years. This was the result of adding up the forecast income and expenditure for all of its member academies together. Figures 8, 9, and 10, below, set out

the level of change in total expenditure, in-year balances, and cumulative reserves for the whole trust, and also for two of its small rural primary schools that experience different in-year balances going forward: one of them experiences in-year deficits, and the other one experiences in-year surpluses. The trust considered that its reserves, and continuously improving financial practices could help the member academies experiencing, or forecast to experience, in-year deficits to improve and also achieve financial balances shortly.

Figure 8 Five year forecast for one of the participating trusts

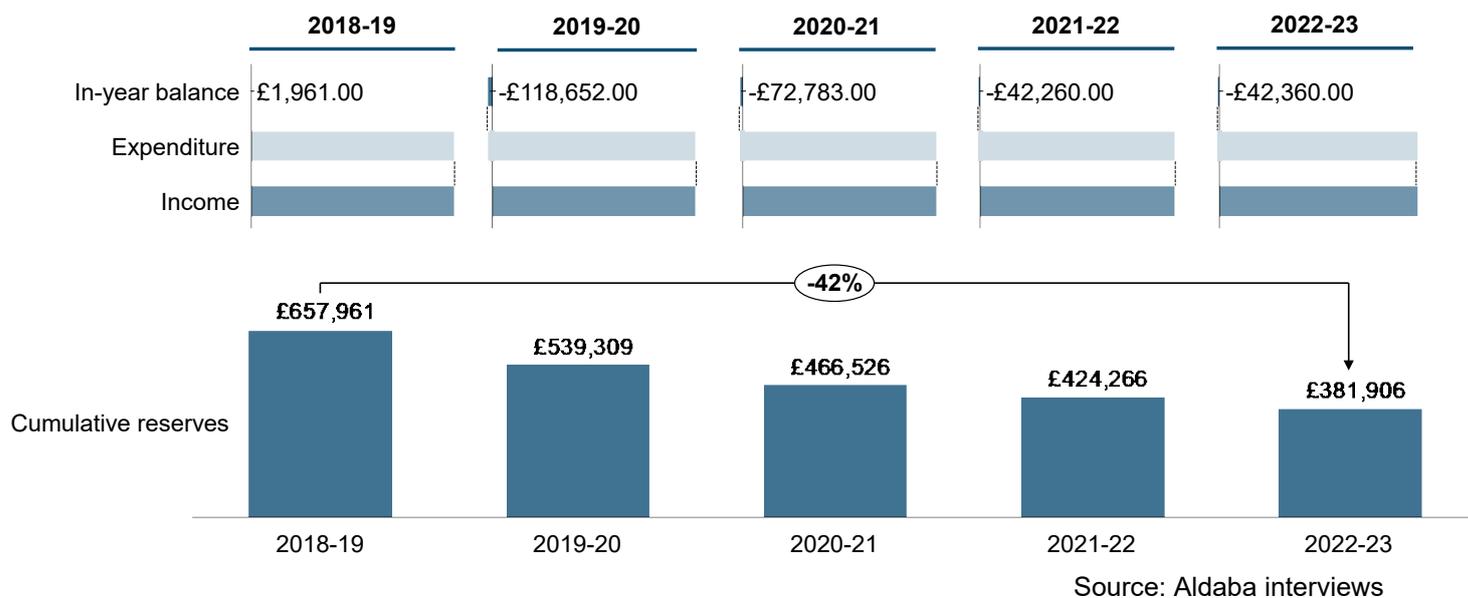


Figure 9 Five year forecast for one school experiencing in-year surpluses within one of the participating trusts

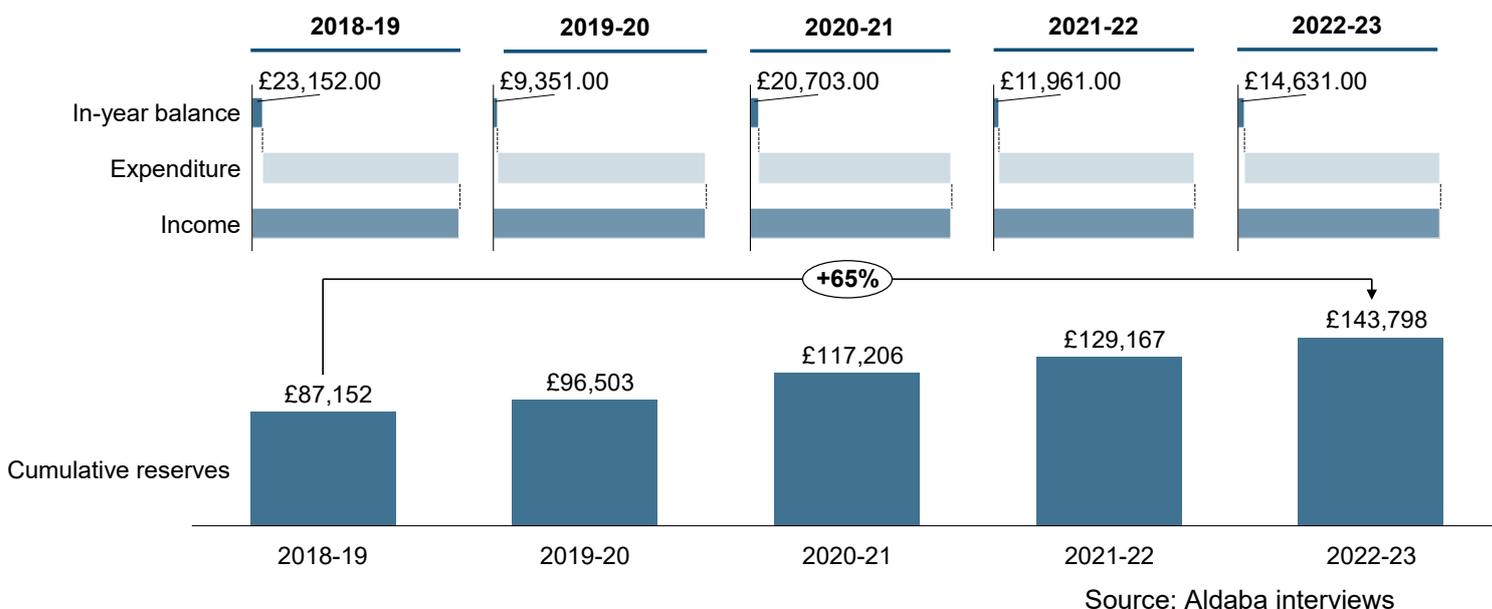
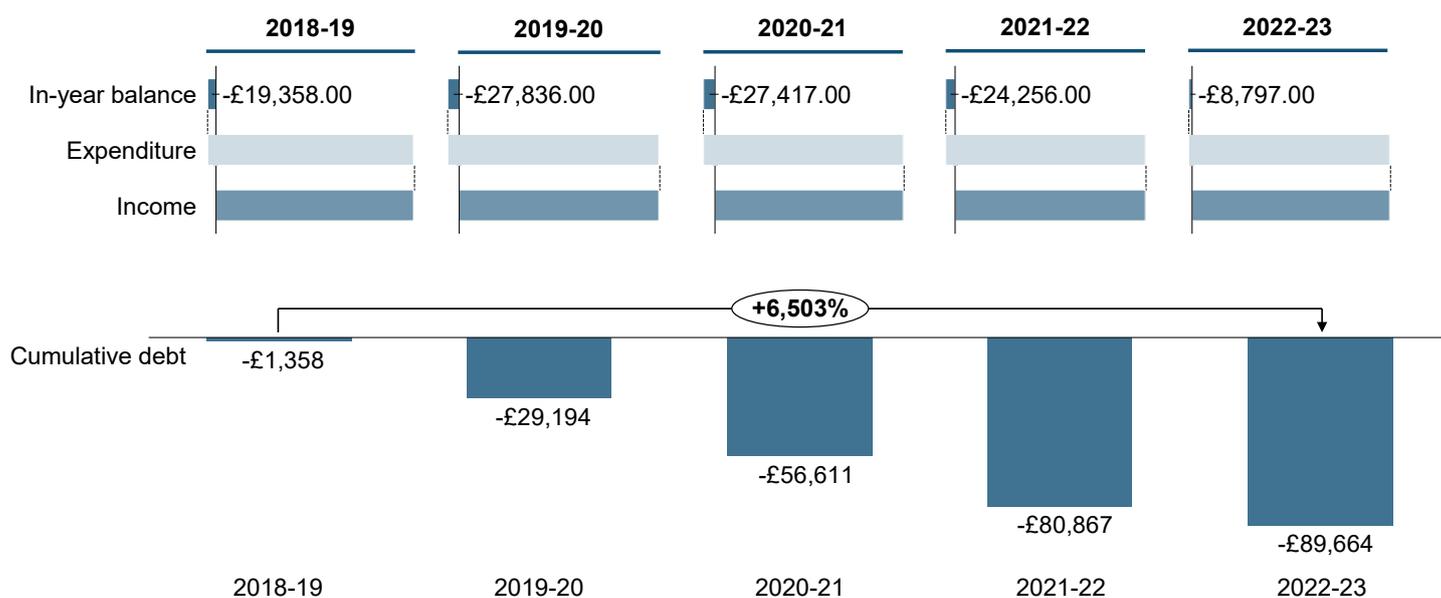


Figure 10 Five year forecast for one school experiencing in-year deficits within one of the participating trusts



Source: Aldaba interviews

203. A few stakeholder interviewees shared the idea that the financial options that were possible within multi-academy trusts were not being understood by the wider school community, or fully explored by existing trusts. They stated that pooling reserves across all member academies, and making them available to specific member academies, as required, was a possibility, including as one interviewee put it, ‘bailing out’ member academies. This was in reference to loans and repayment plans from pooled reserves within the trust.

204. Another possibility mentioned by stakeholders was to pool reserves only partially, allowing member academies to keep a proportion of their reserves just for themselves individually, and sharing other proportions with the other member academies within the trust, under terms and conditions that each trust could negotiate internally. Fully exploring these possibilities was perceived by stakeholders to be of particular value to small rural primary schools that might be considering joining trusts.

Accountability

205. The majority of the participating trusts said that improved accountability was one of the key benefits that small rural primary schools might experience when they join a trust. This was because the trust’s central teams typically had the skills and capacity to monitor and report on the key aspects of accountability, including overall school, and pupil performance.

206. Case study 5, below, sets out how one multi-academy trust kept member academies accountable for their performance. This was mostly led by the trust’s central team.

Case study 5 Accountability overview process by multi-academy trust

Context

This is a large trust with more than ten member academies of different sizes. A few academies have recently converted and joined the trust.

Accountability practices

This trust uses its own method to monitor the status and progress of each of its member academies. It is called the 'accountability overview process'. It includes 12 dimensions, including budget monitoring, financial audit, leadership, outcomes, and health and safety.

Each dimension has a responsible member of staff who provides updates on a termly basis. These updates are sent to the local governing body at each of the member academies.

The accountability overview process is summarised in a diagram including a red-amber-green system to identify priorities and risks. Local governing bodies use this as a basis for monitoring and challenge, as part of their work with the headteachers and the trust's board.

Beyond the summary diagram, the accountability overview process also provides greater level of detail, including supporting documents, as part of a set of electronic folders.

Accountability overview process: example of summary diagram

| | | | | | |
|--------------------------------------|---------------------------|---|-----------------------------------|---|--------------------------|
| Ofsted | Prior rating | | | | |
| Trust moderated inspection | Risk | Inspection report | | | |
| TAS | No | Team Around the School report | | | |
| Academy Improvement Development Plan | Current grade | Latest update | | | |
| Trust audits | Safeguarding | General Data Protection Regulation | Pupil premium health check rating | Wellbeing | Supporting documentation |
| Leadership capacity | Academy head | Local governing body | | | |
| Academic outcomes | Key stage 1 | Key stage 2 | Phonics | Good level of development | Supporting documentation |
| Curriculum overview | Head of school curriculum | Head of school sport and outdoor learning | Head of school: early years | Head of school: welfare, inclusion, safeguarding and attendance | Supporting documentation |
| Budget monitoring | Current status | Supporting documentation | | | |
| Financial audit | Current status | Supporting documentation | | | |
| Health and safety | Current status | Supporting documentation | | | |
| Condition risk | Current condition | Supporting documentation | | | |

Results

The chief executive for the trust believes that the accountability overview process is useful because it helps everyone involved to use a consistent language and see at a glance how their areas of responsibilities relate to others. It also helps identify opportunities and risks in an easier way than having separate approaches for each of the 12 dimensions.

As the chief executive put it, 'we sing off the same hymn sheet'. It is now less likely that opportunities and risks that cut across a number of responsibility areas are missed.

Source: The Consortium Multi-Academy Trust

207. Accountability is not exclusive to multi academy trusts. Participating standalone schools also explained to us how they work with their governing bodies, including support from school improvement auditors, to ensure that head teachers and senior leaders are held accountable for the overall performance of the school.

Future sustainability

208. The participating trusts had different characteristics, for example in relation to size. Some of them considered their financial situation to be challenging, including not being able to afford a chief executive, and having just one junior part-time business manager to support all their member academies. These participating trusts forecast the number of their member academies experiencing in-year deficits to increase in the next three to five years.

209. Most participating trusts saw growth as the best way of achieving a financial balance and becoming sustainable. They considered that by increasing the number of member academies, for example from five to 15, the contributions from member academies could be reduced and the support received from the central team could be more efficient, as explained in earlier sections of this report.

210. Whilst growing was part of all the participating trusts' future plans, most of them said that this was challenging because academisation was not as strong a priority as before, and therefore standalone schools were less likely to join trusts, including small rural primary schools. Some of the participating trusts felt their original plans to grow gradually over time could not be realised because of this.

211. The ways in which some participating trusts tried to overcome the challenges just mentioned included making themselves better known to the public so that they were not wrongly thought of as just a bureaucratic body. Some participating trusts were also focusing on developing a better quality offer for existing and future teachers, and parents. For example, some trusts were exploring options to make breakfast, after-school, and holiday clubs more widely available among their member academies. The aim was

twofold: to meet parents' needs better, and also find ways of covering costs and achieving additional income that could help the finances of all member academies.

212. In a few other cases, the participating trusts were considering merging with other trusts to become a new single bigger trust. However, they felt they were attempting to do this from a position of weakness, having tried to make a trust that includes small rural primary schools work, and failed.

213. Here are two contrasting quotes from two of the participating trusts that illustrate the findings just reported.

214. One of the participating trusts said: 'I think when this was put together... I think they thought they would grow very very quickly [in reference to the headteachers that originally set up the trust]... and then the academy agenda changed... and I think small rural schools are challenging because if you think of the lack of staff... they still have the same things to do as a bigger school... so there's loads of pressure on the heads and actually having a shared head of schools can be more challenging than having one head in a big school. They [in reference to those trusts planning to take on small rural primary schools] should plan ahead, look at the finances, look at viability,... and do not rush into making decisions!'

215. Another participating trust said: 'When we've done our due diligence prior to a school joining, we are aware of the opportunities for greater capacity in the larger schools and the difficulty around leadership capacity within the smaller schools, so when we look at the make-up of our geographic hubs [in reference to groups of academies within the trust for school improvement purposes], we discuss whether there is the right balance between larger and smaller schools within the hub to allow a bit more capacity [...] [recently] we were approached to consider whether [some local schools] could join us, and one of the attractive aspects of this was that those were larger schools compared to the others already in our trust, and could help with balance [...] One of the things that is within our vision and ethos is a commitment to working with small schools because they can become really isolated in the current landscape.'

Standalone schools' perceptions

216. Our interviews with standalone schools confirmed that the levels of interest in joining multi-academy trusts had decreased compared to a few years ago. Perceiving academisation as no longer a strong political priority was one of the reasons why some of them were not actively considering joining a multi-academy trust at the time of research.

217. In addition, many standalone schools perceived multi-academy trusts as applying very rigorous checks on the finances, accountability and other aspects of school management. A few perceived these checks to be overburdening.

218. Whilst acknowledging the opportunities within multi-academy trusts around school improvement activities, sharing resources, and potentially achieving savings, some

participating standalone schools considered that all these opportunities were already available as part of other models. This was mainly through services delivered directly, or sponsored by local authorities.

219. A few participating standalone schools said that they could opt in and out of local authority services more flexibly than in the case of multi-academy trusts. In addition, the number of schools participating in the local authority services was greater than in multi-academy trusts, which helped secure volume discounts.

220. On the other hand, we became aware of a few examples where schools had become academies and joined participating trusts out of a perception that the local authority services available to them were becoming increasingly less effective. This was partly because academisation meant their local authorities were supporting lower numbers of maintained schools, and no longer able to afford the right levels of expertise.

221. While acknowledging the potential benefits, a few participating standalone schools mentioned the following further disadvantages as associated with joining a multi-academy trust:

- Headteacher, and other roles, might be at risk of redundancy or becoming shared across member academies.
- Church of England would only allow joining specific multi-academy trusts within each diocese, which limits the choices available; a few stakeholder interviewees mentioned 'mixed trusts', involving both non- and faith-based schools, as potentially beneficial to small rural primary schools.
- Local authorities may not be ready to make the capital investments required to meet the standards that multi-academy trusts consider to be acceptable before conversion.

Practice summary for multi-academy trusts

222. The findings in this section can be the basis for some practices, including:

- To consider conversion funding and other funding options, such as those aimed at helping set up trusts.²³
- To consider the options of having a fixed central team contribution, or recharging central team costs to member academies on a regular basis,

²³ Gov.uk (2010), Academy conversion: support grant forms, available at <https://www.gov.uk/government/publications/academy-support-grant> ; (2015), Convert to an academy: guide for schools, available at <https://www.gov.uk/guidance/convert-to-an-academy-information-for-schools/3-prepare-for-conversion>

depending on the preferences and needs of member academies and options available to achieve efficiencies.

- To consider the balance between supporting member academies through central team roles, and services provided through external supplier contracts, or in other words, whether certain types of support are better provided through in-house staff or purchased from external suppliers as required.
- To consider the balance of costs and benefits for maintaining a given function within the central team.
- To identify a discrete list of minimum fixed expenditure items that are required to run the central team, and how increases in the number of member academies, including small rural primary schools, can help achieve efficiencies.
- To assess how to deal with existing or potential in-year deficits experienced by member academies, including through internal loans as an option.
- To consider accountability overview processes of the type set out in case study 5, above.
- To consider making the trust better known to the public, and develop an offer that meets teachers' and parents' needs, which may result in attracting new member academies.
- To communicate the benefits of being in a multi-academy trust and addressing potential negative perceptions.

Capital funding

223. Some participating schools and trusts explained to us that the capital element in their grant funding was calculated on a per-pupil basis. Because pupil numbers for the schools in scope were low, and capital projects, for example, in relation to building extensions or repairs, did not necessarily keep a relation with pupil numbers, the resulting funding was perceived to require to be supplemented through other sources.

224. In the case of maintained schools, the capital element of the grant funding needs to be used within a timeframe, typically three years, unless there is a successful application to extend the accumulated funding beyond three years for a specific project. A few participating schools and trusts explained how they had accumulated capital funding for as many years as possible to be able to undertake capital projects.

225. Some participating schools and trusts explained that they had applied for additional, one-off capital funding to local authorities; the department, including the Condition Improvement Fund which is available to single academies and multi-academy

trusts²⁴; or Church of England, in the case of aided schools. However, there was a perception that the amount of applications for these sources were greater than the available funding. As a result, through our interviews we became aware of some unsuccessful applications which the participating schools and trusts thought implied running risks in relation to the conditions of their premises.

226. Many of the premises of the participating schools and trusts were built over 100 years ago. Interviewees explained that the premises were developed by using criteria that were not necessarily in line with today's standards. A few participating schools and trusts were concerned that their buildings were not environmentally friendly, including a lack of energy efficient infrastructures, such as properly insulated windows.

227. One of the participating schools used a combination of capital funding allocations saved over a number of years, and successful applications to its local authority to undertake the refurbishment of one section of its Victorian building. This school considered a number of refurbishment options. It chose the one that ensured safety and required most, but not all of the available capital funding. The school improved its information technology (IT) infrastructures with the remaining capital funding.

Other challenges and practices

228. In addition to those mentioned earlier in this section of the report, the following are some of the challenges mentioned by a few of the participating schools and trusts, and stakeholders:

- Recent changes to national insurance obligations and employer pension contributions put pressures on school finances.
- Safeguarding regulation requires a level of expenditure, including on training and dedicated roles, which is not necessarily in line with the size of small rural primary schools.
- Changes to the national curriculum are not always announced with enough notice for small rural primary schools to plan accordingly.
- Governing bodies can have a disproportionate number of members in relation to the size of small rural primary schools, which may make accountability and governance ineffective.

²⁴ Department for Education (2018), Condition funding methodology for 2018 and 2019, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690710/Condition_funding_methodology_-updated_for_18--19.pdf

- Rivalries between neighbouring communities result in parents' opposing collaborations between small rural primary schools, for example sharing teachers or facilities.

229. In addition to those mentioned earlier in this section of the report, the following are some of the practices mentioned by a few of the participating schools and trusts, and stakeholder interviewees:

- Engaging private sector companies to manage the use of school premises during after-school hours, including taking responsibility for running activities in exchange for an agreed fee from the school.
- Undertaking region wide analyses to understand the relationship between school availability and needs, including options to build new schools.
- Collaborations between schools, and local businesses and regional development programmes to increase the local population and pupil numbers.

230. Through our interviews with local authorities, we became aware of single federated budgets. Case study 6, below, provides further details. Whilst this particular case study refers to federated schools, the principles behind federated budgets may be applied to other contexts, for example, in relation to simplifying processes to procure services across schools; or having one single point of sign-off for certain types of expenditure.

Case study 6 Single federated budgets supported by local authority

Context

In 2014, the Education Partnership Service within this local authority started to work with colleagues in Schools Finance on developing a new offer to maintained schools called a 'single (federated) budget'.

This offer would enable federated schools to be allocated a single budget and give them flexibility across their schools to make savings, for example in administrative and back office services, and allow governing bodies to prioritise spending. This was in response to requests from schools working in federations around duplication in budgeting processes.

Trial

Before proposing and beginning the trial, local authority officers researched nationally to see if there were any existing models. At that time in 2014, they could not find any.

Representatives from all the existing federations within this local authority were invited to a meeting to gauge the level of interest in a possible trial. Following some positive feedback, a trial with six federations, involving a total of 17 schools, was established over two years starting from 1 April 2015.

As part of the early stages of the trial, a series of meetings were organised for school governors, headteachers and administrative staff to fine tune the process and prepare schools for the required changes.

Although the workload as part of the early stages of the trial was considerable, involving for example closing and reopening bank accounts, the support available ensured accuracy and a smooth transition to the new single federated budgets.

Meetings to facilitate the process, iron out difficulties and learn from all participants continued throughout the first year of the trial.

Results

As reported by the local authority, the trial was very successful for the schools involved. They needed only a minimal level of support in the second year and all described the time savings associated with the single federated budgets as significant.

Identified benefits included simplified processes to procure services across schools; avoiding duplication, for example by having just one person looking for providers to address common needs, rather than a number of them for each school; single point of sign-off for certain types of expenditure; and savings in the production of financial reports.

In 2016, the single federated budget offer was opened to all schools in statutory federations. As federations have expanded, some schools have joined existing single federated budgets. There is no intention to make this compulsory for new or existing federations.

Source: Norfolk County Council

Section 2: staffing

231. The research questions relevant to this section include:

- What barriers do small rural schools experience in recruiting teachers and other staff, how do they respond and to what effect?

232. The interview questions that we agreed with the department and are relevant to this section of the report include the following:

- How do teacher salaries and teacher availability in your area compare with other areas?
- How do you approach the recruitment of your teaching and non teaching staff?
- What types of roles, levels of seniority and tenure are easier to recruit and retain? Which ones are more difficult?

233. Some participating schools and trusts explained that there were two main types of teaching staff at small rural primary schools: those who had been teaching at the school for a long time, for example, over seven years, and those who taught only short term, for example, three years or less. As one interviewee put it, 'if they stay, they stay with us for a long time'. There seemed to be few teaching staff who remained in the same small rural primary school between approximately four and six years.

Job satisfaction

234. The majority of the participating schools and trusts said that taking up a teaching position at a small rural primary school for the first time required a difficult decision, including changes in teachers' life styles, household spending patterns, and ways of working.

Rural locations

235. Rural locations offer access to natural environments, which is sought for by some people, including those starting families. However, there are a number of drawbacks to living in a rural location, such as higher house prices in some of them; fewer opportunities to rent accommodation; more limited public transport options, which makes driving own car necessary; and fewer leisure options compared to urban settings.

Working at small rural primary schools

236. The majority of the participating schools and trusts explained that some teachers found the opportunity to work with small groups of pupils appealing because, for

example, they could develop stronger bonds with pupils and their families. As one interviewee put it, 'you get to know everyone by their names; it's like a big family'.

237. Most participating schools and trusts also explained that teachers at small rural primary schools were exposed to a range of responsibilities that were not common at larger settings, where the larger number of staff allowed individual teachers to specialise in narrower sets of responsibilities. A few interviewees said that 'you have to wear a lot of hats at a small school' in reference to the responsibilities being shared among a smaller team of teachers.

238. Where small rural primary schools perform well, this was reported by many participating schools and trusts as an opportunity for teachers to develop their careers and learn effective ways of working. As an example, at one of the participating standalone schools each teacher took responsibility for a subject and an associated budget. This gave them opportunities to collaborate with other colleagues in identifying continuous professional development opportunities relevant to each subject, and making spending decisions that prepared them for more senior roles in the future.

239. The main drawback to working at a small rural primary school, as identified by participating schools and trusts, was running mixed-age classes, which can include pupils from two to four different year groups. A few interviewees said that teacher training was not designed for these types of classes, and available guidance was close to non-existent.

240. Whilst small rural primary schools are aware of these challenges, and provide support for new teachers to adapt to mixed-age classes, participating schools and trusts explained that many candidates who were considering taking up a teacher position were put off by the amount of new learning they would need, and reservations about being able to apply their previous experience from larger schools.

241. Other drawbacks include:

- Promotion opportunities are limited given the small size of the teaching teams and the limited need for leadership roles.
- The number of peers for certain seniority levels can be very small or non-existent.
- Informal support from colleagues, for example through coaching, and more formal continuous professional development opportunities can be small.

Recruitment campaigns

242. Almost all the participating schools and trusts had experienced vacancies and run recruitment campaigns shortly before the research for this report took place. Typical numbers of applications received were between three and 15. On a few occasions this

was not sufficient to make an appointment and a new recruitment campaign was run. There were a few examples where appointments had been made with reservations, out of an urgent need to fill a vacancy and with no candidates other than the successful one being available.

More difficult to recruit

243. Most participating schools and trusts identified headteachers and senior teaching staff as roles difficult to recruit. Most of the recent appointments for these roles that were reported to us were possible through promotions of other more junior staff at the schools.

244. Some administrative support staff, particularly roles in relation to finances, were also identified as difficult to recruit. This was mainly because of the specialist nature of the roles, which required both technical expertise and also previous experience working in an educational setting.

245. Most participating schools and trusts identified midday supervisors as the most difficult type of role to recruit. This was because the role typically required one to two hours' worth of work in the middle of the day, every day, which was a pattern that did not appeal many candidates, particularly considering the time required to reach and leave the locations where small rural primary schools were.

246. For similar reasons, most of the participating schools and trusts found it difficult to attract candidates for maternity and sick leave covers. There was a perception that the short term nature of these vacancies put off those who might be ready to move to the local area for the first time if they found a secure employment option.

247. Some participating schools and trusts tried to address these challenges by developing comprehensive vacancy advertisements, including details of how the school was perceived to be like a family by some people, the levels of formal and informal support provided by colleagues, and the benefits of natural environments.

248. On the other hand, some stressed the importance of including the drawbacks in the vacancy advertisements, such as having a wide range of responsibilities and the resulting levels of workload. This was to avoid conveying the wrong impression and appointing new staff who left shortly after starting their new job.

249. Some participating schools and trusts also said that maintaining formal and informal networks could help identify candidates, for example, by sharing advertisements through the newsletters for headteacher associations, or bringing up the opportunities informally with parents.

250. A few participating schools and trusts had hired parents to support breakfast, and after-school clubs. Parents were reported to find this convenient because they had to commute to and from the schools every day for the school run, so staying to do just a few hours of paid work was less problematic in terms of time requirements.

251. A few participating schools and trusts reported having attended annual events where they shared information on vacancies. In the case of participating standalone schools, examples included sharing stands with other schools at local and regional fairs. In the case of participating trusts, examples included open days organised by themselves independently, or in collaboration with local secondary schools and colleges.

252. Adherence to the school teachers' pay and conditions meant that participating schools and trusts did not increase salaries to attract greater amounts of, and better quality applications. However, most participating trusts were reviewing their approaches to remuneration, whilst maintaining school teachers' pay and conditions. A few explained that they had developed remuneration packages that they believed made vacancies more attractive, such as the possibility of having sabbatical periods, or accruing extra holiday entitlement days over time.

Covering the national curriculum

253. The majority of the participating schools and trusts felt that small rural primary schools could only attract applications mainly from their immediate local areas, which meant that the availability of a range of seniority levels and types of subject expertise was limited. Whilst all participating schools and trusts considered that they covered the national curriculum well, they also perceived that their ability to cover the breadth and depth of the national curriculum, particularly in relation to non core subjects, was limited due to recruitment challenges.

254. To overcome this, small rural primary schools reported using collaborations with other local schools, for example, to share teachers of non core national curriculum subjects, such as music or foreign languages. On a few occasions, we became aware of successful recruitments from further afield, for example, from the nearest large city, which helped to cover the national curriculum more fully.

255. In addition, some small rural primary schools had links with universities and the teaching schools locally which helped them recruit apprentices and newly qualified teachers on a temporary basis, with the option of making longer term appointments if the opportunity arose. One of the participating standalone schools described its joint work with a local university as successful on the basis that most years apprentices were available and willing to work at their school, and provided valuable support to teachers. This was perceived to produce savings compared to hiring other types of roles.

Easier to recruit

256. The views on recruiting qualified teachers were mixed. Whilst none of the participating schools and trusts described these roles as easy to recruit, some had experienced recent recruitment campaigns where the number of applications had been perceived to be good, and the applicants had met most of the requirements, so the school could choose the best candidate. However, those who had had these positive

experiences also felt they might have different experiences going forward because they did not perceive that relevant candidates would be necessarily available in the future.

257. A few participating schools and trusts said that qualified teachers were easier to recruit than to retain. The reasons for this included:

- Salaries were not perceived to be in line with workload.
- Preference for the lighter levels of workload associated with more junior roles, which made some senior teachers apply for them.
- A perceived shortage of qualified teachers generally, at national level.

258. Teaching assistants were mentioned by some participating schools and trusts as easier to recruit. This was partly as a result of a perception that these qualifications were popular and their salaries were in line with the responsibilities associated with the role. A few participating schools and trusts mentioned that there was a risk that teaching assistants ended up taking on more responsibilities than their roles were intended to, as a result of working as part of small teams and having to collectively meet a disproportionate workload.

259. In contrast, one participating trust described teaching assistant recruitment and retention as follows: 'Teaching assistants are very local to the area. They don't move because there are not that many offers for them out there, so they are easier to retain'.

Multi-academy trusts

260. All participating trusts told us that they saw themselves as a useful way of overcoming some of the challenges associated with recruiting staff for small rural primary schools. This was by running recruitment campaigns, and identifying candidates within their member academies.

External recruitment

261. The majority of the participating trusts ran recruitment campaigns for specific vacancies at their member academies, as they arose. This included conversations with the relevant headteacher, and providing support to publish the advertisements and run the recruitment interviews from the trust's central team.

262. One of the participating trusts was planning to create a pool of candidates for future vacancies. To become a member of the pool, candidates would need to go through some recruitment exercises, including interviews. The aim was to cover teacher more flexibly absences, including sick days, and longer term absences, such as maternity covers. Whilst this candidate pool was not in place at the time of research, the trust was confident it could also be the source for longer term, and even permanent appointments

at a lower cost than running one-off campaigns each time a longer term vacancy became available.

Internal recruitment

263. All participating trusts said they could facilitate conversations with everyone involved, including headteachers for member academies, and candidates, to fill vacancies internally within the trust. A benefit of this was that teachers within the trust, particularly those at small rural primary schools, could have access to more promotion opportunities.

264. Whilst agreeing with this in principle, a few participating trusts recognised the challenges around making the timings for filling vacancies coincide. This includes the points in time when promotion opportunities are available, and the readiness and willingness of the staff within the trust to apply for them. As a trust chief executive put it, 'sometimes we have had an opportunity, talked to teachers who we thought would be interested, and found they were not willing to go for it. Other times, we have had teachers telling us they are ready for promotion, but we simply could not find any opportunity internally'.

265. A few participating standalone schools acknowledged the potential benefits of multi-academy trusts in terms of staff recruitment and promotion. However, they were concerned that promoting a teacher to a role elsewhere within the trust was positive for the teacher, and the receiving school, but negative for the releasing school, because they would need to recruit a new staff.

266. We asked participating trusts to provide examples where one existing teacher at one of their member academies moved to another member academy within the trust. Aside from shared headteacher roles, there was no recent actual example of these job changes.

267. The main reason for the lack of teacher sharing within trusts was that many of the employment contracts in place did not include the types of mobility clauses that would allow such job changes. This might be positive for teachers because they perceived their employment location to be stable.

268. Going forward, a few trusts did plan to include mobility clauses in the newly signed contracts. However, most preferred not to include them because their member academies might perceive this as a source of instability in their teaching teams.

269. The majority of the participating trusts saw job changes between their member academies as a practice that would become more common in the future. As reported by the participating trusts, job changes would always be the result of a consensus between everyone involved, rather than just by making use of contractual clauses.

Practice summary for staffing

270. The findings in this section can be the basis for some practices, including:

- To develop vacancy advertisements that provide to candidates a detailed description of the job and school environment.
- To maintain formal and informal networks to share vacancy advertisements.
- To participate in events that allow advertising vacancies, and consider collaborating with others to maintain candidate pools.
- To provide support for new teachers to adapt to mixed-age classes, such as coaching and formal continuous professional development activities.
- To consider the option of allocating to each teacher areas of responsibilities, such as subject leadership, and associated budgets; this can result in larger numbers of applications when vacancies arise, and contribute to continuous professional development for those in post.
- To consider changes to remuneration packages to recruit and retain staff, such as accruing extra holiday entitlement days as tenure increases.
- To explore collaborations with other schools, and organisations, such as universities, to engage staff with a range of expertise to cover the breadth and depth of the national curriculum.
- For multi-academy trusts, to assess the option of including mobility clauses in employment contracts, and best ways to put them into practice, when required.

271. The findings in this section included challenges for which no specific practices were identified, such as:

- Higher house prices in some of the rural locations, fewer opportunities to rent accommodation, more limited public transport options that make driving own car necessary, and fewer leisure options compared to urban settings.
- Promotion opportunities, which are limited given the small size of the teaching teams and the limited need for leadership roles.

Section 3: collaborations and continuous professional development

272. The research questions relevant to this section are the following:

- How do small schools collaborate with others?
- How can formalised collaboration help small schools to overcome challenges?
- How do schools ensure that teachers and leaders receive the necessary training and development?

273. The interview questions that we agreed with the department and are relevant to this section of the report include the following:

- Is your school part of a formal network, such as a federation; or more informal networks, such as clusters, local associations, or collaborative frameworks?
- How do you secure the training required for teacher development?

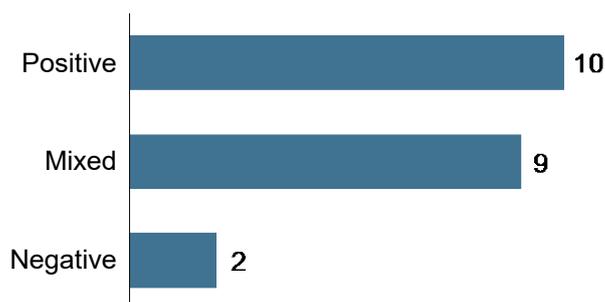
Collaborations

274. All the participating schools and trusts said that small rural primary schools collaborate with other schools, including larger primary, and secondary schools. This may be through formal collaborations, such as federations, and multi-academy trusts, or more informal collaborations, such as clusters to share certain resources, and headteacher networks.

275. Most of the collaborations mentioned by the participating schools and trusts were based on historical relationships, including neighbouring schools that had collaborated over a number of years, and clusters originally organised by local authorities for various purposes and subsequently maintained by the member schools. Figure 11, below, summarises how participating schools and trusts perceived the networks locally available.

276. Examples of positive perceptions include networks of schools that met regularly; had a chair person; and hosted timely and effective conversations on how best to share resources. Examples of negative perceptions include networks where meetings resulted in unclear actions; contact between member schools was mostly by email, rather than face to face; and continuity into the future was perceived to be unlikely.

Figure 11 Perceptions of networks locally available by participating schools and trusts



Source: Aldaba interviews

277. As an illustration of a particularly active network, one participating trust had a member academy that was a teaching school. Through this, the trust maintained relationships with a large number of local schools outside the trust, particularly in the context of teacher training, and continuous professional development. In addition, the trust described as positive its relationships with other trusts, federations, and standalone schools nationally. This gave pupils from the small rural primary schools within the trust opportunities to participate in sport events, and educational visits elsewhere in the region and further afield in England. Teachers had access to career professional development events through these networks.

278. Another example, this time from a participating standalone school, included a network made up of some primary schools that fed the local secondary school. The network provided roles such as literacy coordinators, numeracy coordinators, physical education and sport coaches, and special educational needs coordinators, all of them funded jointly by the members of the network that needed those roles. In recent years the contributions to the network had ranged between £3 and £5 per pupil, depending on the services that each member school required.

279. The participating standalone school explained that this network was unlikely to stay in place for long. This was partly as a result of some schools no longer being able to afford the contributions; and some others preferring other networks, such as those led by teaching schools locally, and multi-academy trusts.

280. The participating standalone school had been happy with the support received from the network in the past. It perceived it to be good value for money, particularly compared with the contributions that a multi-academy trust would have required for the same services, which would have been much higher. The participating school was keen to find alternative arrangements to keep the network active, although no specific plan was in place at the time of research.

281. Another example, from a participating standalone school, included a cluster originally organised by a local authority which had remained in place for many years but was perceived to have become less useful recently. The participating standalone school described how there was no longer a budget for the cluster based on contributions from

the member schools. This was partly because some had joined multi-academy trusts. The only service that remained available within the cluster was a physical education and sport coach that was being jointly funded by some of the member schools through the physical education and sport premium.

282. Previous sections of this report explained how collaborations of various sorts, including sharing roles between schools and becoming part of a multi-academy trust, could help the small rural primaries to balance their finances.

Continuous professional development

283. All participating schools and trusts said that their expenditure on continuous professional development activities was limited by funding pressures. However, only a few mentioned instances where everyone involved considered that one of these activities was necessary but not affordable.

284. Another challenge affecting continuous professional development activities related to releasing teachers from their class duties to participate in them. A few participating schools and trusts said that funding pressures had resulted in stretching the available teacher hours to the point that the time available for preparation, planning, and assessment, and continuous professional development had been reduced below levels they would consider acceptable.

285. As an illustration, the headteacher of one of the participating standalone schools combined headteacher and teaching responsibilities as part of a full time role. The headteacher felt that this did not allow sufficient time to observe classes and do other types of 'hands-on' school improvement activities, such as assessing tests independently and discussing any discrepancy between the headteacher's and other teacher's assessments. The headteacher felt that activities like these were required alongside more formal training sessions for schools to improve.

286. The majority of the participating schools and trusts considered that collaborations with other schools and organisations had helped them to achieve better prices for continuous professional development activities. Examples included hiring a freelancer to run a training session on a particular subject, or purchasing a bespoke training session from an external supplier for a group of teachers from different schools.

More and less formal collaborations

287. As an illustration, one of the participating standalone schools collaborated with some of its neighbouring schools to fund and organise training on child protection and data protection for staff, and internet safety for staff and pupils. The schools also organised teacher exchange activities whereby teachers from one school spent the

equivalent to one day and a half each term at another school observing classes and joining meetings on how to assess literacy and numeracy skills.

288. Another standalone school described their local cluster, which was originally set up by the local authority, as 'a very informal but useful' way of staying in touch with other schools and having the opportunity to discuss changes in the education system, and stay up to date with continuous professional development options. This cluster had no formal governance structure and required no fee from its member schools. However, it provided opportunities for schools that needed roles, such as information technology (IT) technicians, to come together and discuss options to fund joint contracts.

289. Participating schools and trusts were also part of more formal networks that focused on teacher training and school improvement. Examples include school centred initial teacher training (SCITT), local teaching schools alliances, and apprenticeship arrangements as part of vocational and university courses available locally. Being part of these networks was perceived to provide opportunities in terms of recruitment of junior teachers, and also access to a range of continuous professional development events, with the possibility of schools choosing the ones that were more relevant to their priorities at the time.

290. Through the interviews with participating schools and trusts, we became aware of a number of examples of organisations sponsored by local authorities that focused on continuous professional development. These were formal networks that had a governance structure and required a fee from member schools. Examples of the services provided included speech and language therapy, including both specialist roles made available to address specific pupil needs, and training for teachers; transition workers to support pupils moving on from primary to secondary school; and school audits, and school improvement sessions to develop school improvement plans.

291. Other examples of networks with various degrees of formal governance included maths hubs, English hubs, and local networks specifically for small primary schools. As an illustration, one of the participating trusts described how one of their member academies was a research school as part of the local teaching school alliance. This was giving opportunities to keep abreast of innovative teaching methods. In addition, the trust participated in the local maths hub, and was supporting the set-up of a new literacy hub in the context of the Opportunity Area initiative. Some of the trust's member academies also remained active in the local authority networks for primary school improvement.

Senior roles

292. Some participating schools and trusts felt that the training and coaching opportunities for senior teachers and leaders, such as multi-academy trust chief executive officers, was limited, and where it was available, it felt unaffordable. A few chief executive officers explained they had received training directly relevant to their roles. The

fees had been perceived to be high and only affordable as a one-off opportunity, although similar training activities would have been beneficial on a continuous basis.

293. The majority of the participating schools and trusts pointed out that headteachers had opportunities to meet with their peers from other neighbouring schools through a range of networks, such as headteacher associations. These involved meetings, quite often on a termly basis, to discuss priorities and share news on the education system. Participating schools and trusts said that this can be considered to be continuous professional development for the headteachers. A yearly fee that pays towards meeting costs was typically required.

Multi-academy trusts and federations

294. The most formal types of collaborations included multi-academy trusts, which are being covered throughout the report, and federations. Where central teams within multi-academy trusts have capacity to lead on school improvement, they typically provide teacher training and continuous professional development for their member academies.

295. Some participating trusts stressed the opportunities that they could offer to small rural primary schools in terms of providing peer support and a sense of professional community, particularly in the case of more junior staff, such as teaching assistants, who could come together for regular meetings from across the trust, and stay in touch by email and telephone communication. This included coaching, which might be facilitated from the trust's central teams, for example by organising events, or introducing individuals to each other.

296. Case study 7, below, explains how one of the participating trusts approached continuous professional development.

Case study 7 Projections of staff training needs by multi-academy trust

Context

This is a small trust with fewer than ten member academies, which are all small rural primary schools. Conscious of the challenges around recruiting staff, this trust developed an approach to monitoring its staff numbers and training needs.

Practice

This trust monitors the types and numbers of roles available across its member academies. Through a set of templates, and associated monitoring work, the trust estimates future staff numbers, including likely vacancies and salaries.

In addition, the trust estimates future needs in relation to continuous professional development for each type of role. For example, at the time of research the trust had this for 2018-19, 2019-20 and 2020-21.

This monitoring work is underpinned by a set of assumptions that are acknowledged and updated as time progresses.

Results

One of the advantages of this approach is that the trust can anticipate future training needs and make decisions that can result in savings. For example, if different individuals will need the same type of training just one year apart, the trust may decide to agree a date in the middle for everyone to participate in the training and secure better prices for a larger group.

Similarly, the trust can anticipate future situations where larger numbers of staff concentrate around a particular type of role and pay scale, and make appropriate decisions in advance, for example, in case other combinations of roles might be more appropriate.

Another feature of this monitoring work is identifying individual members of staff that may be in a position to coach others in the future. Again, this helps the trust to match internal training capacity and needs.

Source: The Link Academy Trust

297. Participating trusts provided many examples of collaborations with schools outside the trusts, and other organisations. One of the participating trusts explained how its central team encouraged networking and collaborations between its member academies and others, particularly in the context of class observations, and standards moderation. In this particular case, the clusters that were originally developed by local authorities remained active and perceived by the trust to be useful in relation to continuous professional development.

298. A particular aspect of federations that is relevant to small rural primary schools is that they allow 'consolidation processes', which were described to us through the interviews as a way of reorganising classes across more than one school site. Examples included specialising primary schools that used to cover all key stages just on one key stage each. Consolidation processes may also take place within multi academy trusts.

Practice summary for collaborations and continuous professional development

299. The findings in this section can be the basis for some practices, including:

- To develop new, and maintain existing collaborations, particularly in relation to funding continuous professional development activities, and learning opportunities for pupils.
- To consider being part of a range of types of networks, from formal to more informal, for example to have opportunities to share information with peers from other schools, and organise class observations.
- To explore the possibility of making joint appointments with neighbouring schools.
- To forecast and plan future staff numbers, and continuous professional development needs, similarly to the participating trust in case study 7.

300. The findings in this section included areas for which no practices were identified, such as:

- Limited availability of headteachers to participate in 'hands-on' continuous professional development activities with other teachers.
- Limited availability of affordable training for senior roles, including multi-academy trust chief executives.

Section 4: teaching, school improvement, and attainment

301. The research questions relevant to this section include:

- How do successful small schools structure their teaching and curriculum, including school improvement functions, and ensure their provision meets the needs of all pupils?
- How do schools measure pupil progress?

302. The interview questions that we agreed with the department and are relevant to this section of the report include the following:

- How do you timetable teacher hours and learning topics to meet the requirements of the national curriculum?
- What school improvement activities are you undertaking at the moment, and how do you coordinate them?
- Is your way of measuring pupil attainment similar to others potentially used by other organisations?

303. All participating schools and trusts considered that they covered the national curriculum well, although securing the range of expertise required to meet its breadth and depth was challenging due to the limited availability of teachers locally, as explained earlier in this report. This was particularly the case in terms of non core national curriculum subjects.

Mixed-age classes and rolling programmes

304. As explained by participating schools and trusts, those teachers with greater experience are typically the lead teachers for the mixed-age classes. They typically run core national curriculum subject lessons in the mornings, with other more junior teachers and teaching assistants running non core national curriculum subject lessons in the afternoons. Teaching assistants also support core national curriculum subject lessons in the mornings, particularly where some of the pupils have special educational needs.

305. In most cases, mixed-age classes mean that the national curriculum is organised into rolling programmes. For example, where pupils from two different year groups share the same class, subjects allocated to the two different year groups in the national curriculum are combined for delivery over two school years.

306. As an illustration, the headteacher for one of the participating standalone schools explained that coordinating rolling programmes required planning at the beginning of the

school year, and continuous monitoring, including to ensure that all targeted topics were covered.

307. Coordinating the times when full and part time teachers were available during the week with the requirements of rolling programmes was described by this headteacher as challenging. Options to overcome this challenge included 'block teaching', whereby certain topics in the curriculum were covered intensively during periods of time, for example 'sea animals week'. This provided opportunities such as better use of spaces, equipment and materials; organising events and exhibitions involving larger numbers of pupils, including from a number of classes; and adapting activities to learning levels efficiently.

308. Some of the participating schools and trusts highlighted the opportunities that rural environments provided to cover aspects of the national curriculum particularly well. Physical education and sport topics, and 'forest schools' were among the aspects that some considered to be well covered, especially in comparison to schools located in other settings.

309. Case study 8, below, explains the views of a headteacher on how to run mixed-age classes.

Case study 8 Mixed-age classes at standalone school

Context

This school has just over 50 pupils, and a two mixed-age class structure. It has two full-time-equivalent lead teachers, approximately two full-time-equivalent teaching assistants, and two teaching apprentices.

We asked the headteacher to answer this question: 'How should mixed-age classes be run to make the most of the opportunities in small rural primary schools?' Here is the statement provided.

'Running mixed-age classes is a challenge yet a necessity at small schools. It is worth remembering that for children at any school it is normal to be educated alongside other year groups rather than unusual.

In our school, we see children flourishing in mixed-age classes for many reasons.

Firstly, the younger ones have daily examples of children working at a higher level that they can aspire to and compete with. The older ones also have to take responsibility for organising the younger ones within mixed-ability group tasks.

In some subjects such as maths and science with specific year group objectives, we need to provide as much differentiation through adult support as possible. We do this by

employing high quality teaching assistants, apprentice teaching assistants and encouraging volunteers to help in our classes.

We also use some of my teaching commitment to ensure that I can teach a maths group for the whole week.

Our literacy work is usually tied in to our topic lessons. Objectives and expectations are different for each year group but the source material is relevant and interesting for all.

We operate a two mixed-age class structure. This is a style of hybrid early years foundation stage and key stage one class, on the one hand, and key stage two, on the other hand.

In the infants' class, we also utilise every available area in the premises to enable teaching to occur and make use of our limited outdoor space.

Our reception children have desks and experience some more formal styles of learning.

Our year 1 and year 2 children have access to choosing activities whilst the teacher works with other groups.

This helps all the children in the class learn through styles that are suitable for them.

We must plan our curriculum for the long term, ensuring all objectives are covered over a four-year period and that there will be no repetition in topics.

For example, we have four languages that will be taught in juniors on a rotating yearly basis.

The national curriculum is also flexible in creative subjects, such as art and design technology. This allows us to work with different materials suitable to each topic.

As with most small schools, we understand that flexibility is key. A speedboat can change direction and take advantage of opportunities much more easily than a tanker!

I believe that small schools are like families and every child and adult within it has an important role to play. By valuing everyone, we can also get the best out of everyone and we can all achieve together.'

Source: South Darley Church of England Primary School

School improvement plans

310. As reported by participating schools and trusts, school improvement plans drive the activities required to raise the performance of small rural primary schools. The starting point is usually the analysis of pupil attainment information. The majority of the participating schools and trusts also built on the work of school improvement auditors, which covered a range of aspects of school management, such as leadership, finances, and continuous professional development.

311. Each year, small rural primary schools identify school improvement priorities and decide the activities required to put them into practice. This normally involves conversations between the headteacher; teachers, including subject leads; and governors.

312. As an illustration, one of the participating standalone schools identified emotional wellbeing as a priority based on observations and parent feedback. This featured as a priority in the school improvement plan, including coaching and training for the teachers.

313. Working with the teachers, the headteacher maintained a self-evaluation document throughout the school year describing achievements and areas for improvement in relation to wellbeing. For example, incidents such as tantrums or loud arguments between pupils were recorded for later reflection by staff. The self-evaluation document also included monitoring the number of referrals to the child and adolescent mental health services.

314. The headteacher shared and discussed updates with the governors' board throughout the school year. At the end of the period covered by the school improvement plan, the participating school was in a better position to identify and address a wider range of emotional wellbeing needs, and had greater awareness of the services to which pupils and parents might be referred to.

315. Another participating standalone school identified phonics as an area for improvement based on analysis of pupil information. The school decided to fund a four-day phonics training course for each of its five teachers, at a cost of £500 per teacher. As a result, standards in phonics improved. Three of the five teachers left the following year after participating in the training. At the time of research, the school was considering the option of funding training courses for the new teachers so that the improvement could be sustained.

Multi-academy trusts

316. School improvement is an area where participating standalone schools saw multi-academy trusts as being effective. Participating trusts themselves also considered school improvement as one of their strengths, as long as the right level of resource was

available. A few participating trusts referred to their school improvement function as quality assurance.

317. As explained to us by participating trusts, some multi-academy trusts have a dedicated school improvement role within their central teams. This role takes the lead in coordinating the school improvement plans for each of the member academies and identifying common priorities that lend themselves to shared activities, such as training sessions, class observations, or common worksheets and other teaching materials. Some participating trusts said that small rural primary schools particularly benefited from these activities because they would have been unaffordable if the schools had remained as standalone schools.

318. As an illustration, one of the participating trusts developed a procedure to organise its school improvement activities. This included three visits a year to each member academy involving one of the dedicated roles within the central team, and two external consultants that worked as school improvement auditors.

319. One of the outputs of the visits was a risk register that estimated the probabilities of member academies underperforming in areas such as finances, leadership, continuous professional development, and pupil attainment. Based on these visits the central team's role developed a work plan. For example, member academies that faced similar risks were grouped and offered coaching, training sessions, and opportunities to observe classes at other better performing academies within the trust.

320. In addition, the trust secured some dedicated time from some of the teachers to become subject leaders, including for English and maths. Headteachers were also allocated 'buddies' from elsewhere in the trust, which involved peer support and coaching activities facilitated by the central team.

321. Another participating trust described its school improvement plan monitoring to us, and in particular the weekly updates provided by the headteachers of the member academies to the trust's chief executive. This was done electronically through shared folders.

322. The chief executive received information on every aspect of school improvement, including human resources, health and safety, and pupil attainment across subjects. In addition, there were school improvement leadership meetings every term, involving trustees and external consultants that worked as school improvement auditors.

323. The chief executive visited each member academy twice each term to support improvements in particular areas, as highlighted by the weekly updates. One of the priorities was to ensure that teaching practice was underpinned by evidence. This was something the chief executive was monitoring and supporting as part of their school improvement activities.

324. Case study 9, below, explains the approach to school improvement taken by another participating trust. In this case, a handbook internally produced by the trust provides the framework to undertake improvement activities across the member schools.

Case study 9 School improvement handbook by multi-academy trust

Context

This is a large trust with more than ten member academies of different sizes. The services provided by its central team include school improvement.

Practice

This trust developed a school improvement handbook to guide the planning and monitoring of school improvement activities across its member academies. The aim was for improvement to become self-sustaining over time, including within the trust, and across all member academies.

The trust's school improvement model rests on a team of mobile professionals who are coordinated by the trust's central team.

Staff's continuous professional development is planned to meet the needs of the member schools, as identified through national curriculum monitoring and feedback, pupil assessment information, local and national agendas, moderation requirements, and the need to grow and develop school leaders.

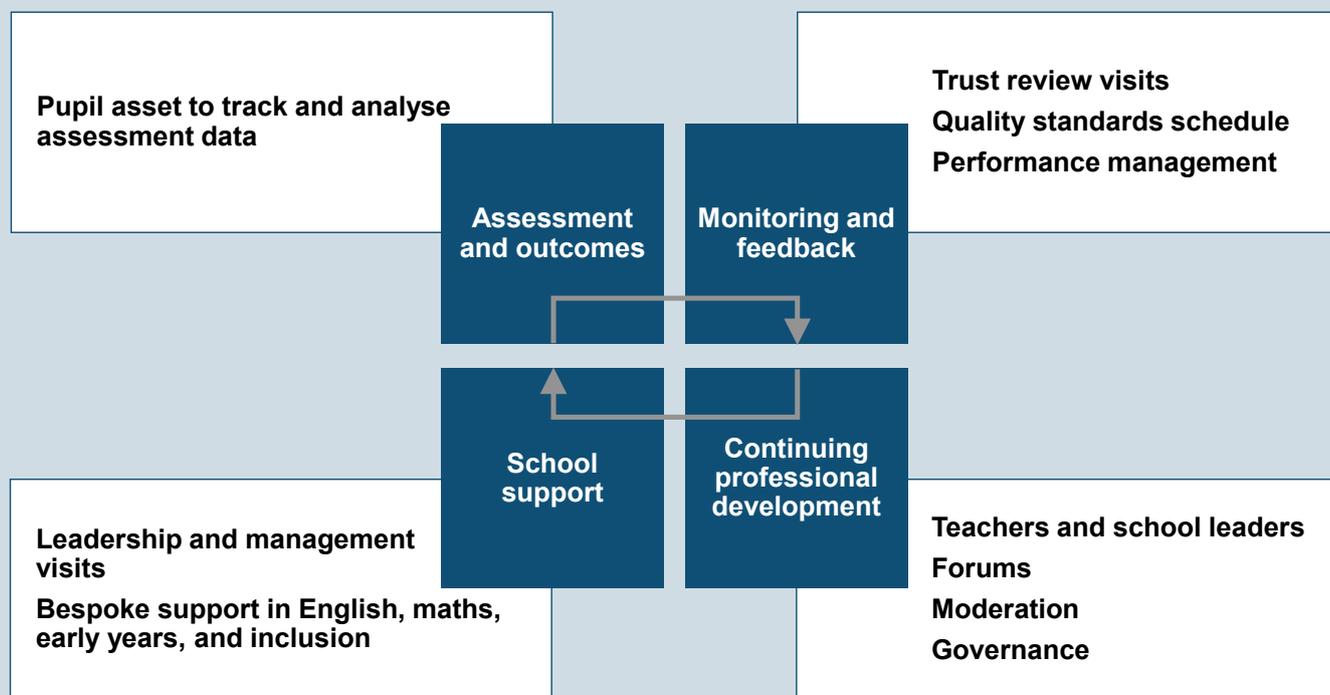
Results

As described by the trust, the school improvement team:

- provides a tailored, needs led package of support that meets the individual requirements of schools, adapting and adopting strategies to the context of each member academy;
- acknowledges the identity and character of member academies and targets appropriate support, adopting a rigorous and determined approach in the pursuit of school improvement;
- identifies and works in partnership with each member academy to decide which improvement activities are best organised and led by mobile professionals, continuous professional development events, or school to school support;
- creates a balance between quality assurance, accountability and leadership challenge, with actions that promote networking such as inquiry-based learning, peer reviews, shared coaching and development programmes;

- analyses pupil assessment information forensically to inform need, monitor progress and assess school performance; and
- commissions or conducts external or peer reviews, including teaching and learning, pupil premium, governance, and Ofsted readiness.

School improvement model



Source: Diocese of Ely Multi Academy Trust

Pupil attainment

325. Participating schools and trusts explained that they measured pupil attainment based on a combination of quantitative information, for example, key stage results, and qualitative information gathered by teachers as they developed their teaching on a continuous basis. The focus was on pupil progress towards expected achievement levels. Some participating schools and trusts recorded and updated the qualitative information gathered by teachers on a continuous basis by using software programmes.

326. As an illustration, one of the participating trusts monitored teacher assessments based on an approach that involved assessment leaders, who were nominated internally among the trust's teachers, and moderation meetings. The aim was to ensure that teacher assessments were accurate and in line with assessment practices across the trust, locally and nationally.

327. The results from these activities were recorded as part of a single online information system, which all member academies were trained on. The trust broke down

its analyses of pupil attainment by clusters of member academies to understand how its school improvement initiatives were working depending on the baseline from which different member academies started when they first joined the trust.

328. Case study 10, below, explains another example of practice that uses online resources. On this occasion, one of the participating trusts tried online lessons to improve pupil attainment. This was partly to address some of the challenges associated with rural locations.

Case study 10 Online lessons at multi-academy trust

Context

This is a large trust with more than ten member academies of different sizes. In the majority of this trust's member academies, especially the smaller ones, there can be at times only one or two pupils working towards greater depth objectives. These pupils do not have as much opportunity to engage in meaningful conversations around maths mastery with their peers as pupils in larger schools.

Practice

To provide pupils with the opportunity to meet their greater depth objectives, the trust worked with an online teaching organisation to provide mastery maths lessons.

The sessions were taught once a week. The pupils were able to login at the same time and, therefore, engage in mathematical challenges and conversations with other pupils working at a similar level of maths.

The programme faced some technical challenges. Internet connections did not always work when the lessons were planned, which resulted in delays, and some lessons being re-scheduled.

Results

Pupils reported that, once online and connected, they enjoyed the lessons. Around 50 per cent of the pupils that took part made progress above the trust's expectations.

The trust has plans to improve their approach to greater depth objectives in maths. Whilst there was some improvement in maths, the programme did not always offer the maths mastery conversation that the trust had hoped to offer. This was irrespective of the technical challenges mentioned earlier.

The trust's education team are now investigating in-house systems of connectivity that could be used to provide a similar programme.

Source: The Consortium Multi Academy Trust

Communicating pupil attainment to stakeholders

329. Small rural primary schools are used to helping other stakeholders to put the quantitative attainment information in context and interpret potential biases due to small cohort sizes. This is particularly the case in terms of averages and percentages for very small cohorts, for example, of three or four pupils, where an unusually good or poor performance by just one pupil can be wrongly interpreted. The stakeholders with whom small rural primary schools work in the interpretation of pupil attainment information include governors, local authorities, and Ofsted inspectors.

330. One of the advantages of small rural primary schools is that headteachers and teachers know individual pupils. Always maintaining anonymity, where required, they can add details that help stakeholders understand the individual pupils behind the quantitative information.

Practice summary for teaching, school improvement, and attainment

331. The findings in this section can be the basis for some practices, including:

- To consider rolling programmes, including the implications of 'block teaching', whereby certain topics in the curriculum are covered intensively during periods of time.
- To make the most of rural environments in relation to subjects such as physical education and sport, and science.
- To involve a range of roles in the development of school improvement plans, including teachers, subject leads, governors, and external school improvement auditors, and consider an approach similar to the one described in case study 9.
- To keep regular progress updates in relation to school improvement plan priorities, including through shared electronic folders.
- To allocate 'buddies' to teachers, including headteachers.
- To consider the use of online systems to record and share pupil attainment tracking activities, as well as to deliver certain types of teaching, such as teaching pupils who work towards greater depth objectives, as illustrated in case study 10.

Performance assessment

332. Our stakeholder interviews suggested that interested parties, including local authorities, assess the performance of small rural primary schools similarly to how they assess the performance of other types of schools. In all cases, they acknowledge the size and other characteristics of the schools, as well as the contexts and situations within which they work.

333. Previous sections of this report explained how pupil attainment is assessed, and how multi-academy trusts monitor and support small rural primary schools.

Technical appendix: coding tables

334. We coded some of the information provided at the interviews in order to group participating schools and trusts, and estimate how many of them were part of different groups. These are just indications that help identify patterns, rather than quantitative findings. Details are available in tables 1, and 2, below.

Table 1 Perceptions and proportions of upper pay scale staff at participating standalone schools

| Identifier | Local authority service perception | Local school network perception | Upper pay scale staff |
|------------|------------------------------------|---------------------------------|-----------------------|
| 01 | Positive | Positive | Around half |
| 02 | Medium | Negative | Below half |
| 03 | Positive | Positive | Over half |
| 04 | Medium | Medium | Below half |
| 05 | Medium | Medium | Below half |
| 06 | Positive | Positive | Around half |
| 07 | Positive | Positive | Below half |
| 08 | Positive | Positive | Below half |
| 09 | Medium | Positive | Over half |

Table 2 Perceptions and characteristics of participating trusts

| Identifier | Description | Local authority service perception | Local school network perception | Upper pay scale staff | Member academies' contributions to central team |
|-------------------|---|---|--|------------------------------|--|
| 10 | Large trust with over 10 member academies; able to support struggling schools following due diligence | Medium | Positive | Over half | 6 to 10 per cent of General Annual Grant |
| 11 | Small trust with fewer than 10 member academies; stable, but with a small central team | Positive | Medium | Over half | 3 to 5 per cent of General Annual Grant |
| 12 | Large trust with over 10 member academies; including smaller and larger academies; able to support struggling schools following due diligence | Positive | Positive | Over half | 3 to 5 per cent of General Annual Grant |
| 13 | Large trust with over 10 member academies; including smaller and larger academies; able to support struggling schools following due diligence | Positive | Positive | Over half | 3 to 5 per cent of General Annual Grant |

| Identifier | Description | Local authority service perception | Local school network perception | Upper pay scale staff | Member academies' contributions to central team |
|------------|---|------------------------------------|---------------------------------|-----------------------|---|
| 14 | Small trust with fewer than 10 member academies | Positive | Medium | Around half | 6 to 10 per cent of General Annual Grant |
| 15 | Small trust with fewer than 10 member academies | Negative | Medium | Around half | Over 10 per cent of General Annual Grant |
| 16 | Small trust with fewer than 10 member academies | Positive | Medium | Below half | 6 to 10 per cent of General Annual Grant |
| 17 | Small trust with fewer than 10 member academies | Negative | Medium | Below half | 3 to 5 per cent of General Annual Grant |
| 18 | Small trust with fewer than 10 member academies | Medium | Medium | Below half | 6 to 10 per cent |
| 19 | Small trust with fewer than 10 member academies | Negative | Negative | Below half | 3 to 5 per cent of General Annual Grant |
| 20 | Small trust with fewer than 10 member academies | Positive | Positive | Over half | 3 to 5 per cent of General Annual Grant |
| 21 | Small trust with fewer than 10 member academies | Negative | Medium | Over half | 3 to 5 per cent of General Annual Grant |

Common terms

Academy. An academy is a state funded school in England which is directly funded by the Department for Education and independent of local authority control.²⁵

Academy converter. High performing schools already in existence who opt out of local authority control to gain independence and autonomy. Outstanding schools may apply to the Department for Education for approval to become an academy converter.²⁶

Class size. In England and Wales there is no statutory limit on the size of any class above Key Stage 1. Since September 2001, The School Standards and Framework Act 1998 put a duty on local authorities and schools to limit the size of infant classes (Age 4-7: Reception and Key Stage 1) taught by one teacher to 30 pupils.²⁷

Community school. See maintained school.

Federation. A formal governance structure whereby two or more maintained schools share a single governing body. To establish a federation, schools are required to follow a statutory process which is outlined in the School Governance Federation Regulations (HM Government, 2012). These regulations also describe what the membership of the governing body must comprise.²⁸

Maintained school. State school maintained or overseen by a local authority.²⁹ Types of maintained schools include: community schools, where the local authority employs the staff, owns the land and buildings and determines the admissions arrangements; voluntary aided schools, most of which are faith schools, where a foundation or trust, usually a religious organisation, inputs a small proportion of the capital costs for the school and forms a majority on the schools governing body; and voluntary controlled schools, which are like a voluntary aided school, but are run by the local authority,

²⁵ Gov.uk (2016), Convert to an academy: guide to schools, available at <https://www.gov.uk/guidance/convert-to-an-academy-information-for-schools/1-before-you-apply> ; Gov.uk, Types of schools, available at <https://www.gov.uk/types-of-school/academies>

²⁶ New Schools Networks (2015), Comparison of different types of schools: a guide to schools in England, available at <http://www.newschoolsnetwork.org/sites/default/files/files/pdf/Differences%20across%20school%20types.pdf>

²⁷ Legislation.gov.uk (1998), School Standards and Framework Act 1998, available at <http://www.legislation.gov.uk/ukpga/1998/31/contents>

²⁸ Department for Education, Dr Paul Armstrong (2015), Effective school partnerships and collaboration for school improvement: a review of the evidence, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/467855/DFE-RR466_-_School_improvement_effective_school_partnerships.pdf ; Gov.uk (2014), Governance in federations, available at <https://www.gov.uk/government/publications/governance-in-federations>

²⁹ New Schools Networks (2015), Comparison of different types of schools: a guide to schools in England, available at <http://www.newschoolsnetwork.org/sites/default/files/files/pdf/Differences%20across%20school%20types.pdf>

including the local authority employing the staff, and usually have a quarter of their governing body controlled by a foundation or trust, usually a religious organisation.

Mixed-age class. Pupils from multiple year groups share the same class and teacher. This is common in small schools and schools with fluctuating intakes.

Multi-academy trust. An academy trust may operate a single school but may also be responsible for a chain of schools. The term academy chain describes groups of three or more schools. Chains of schools may operate as multi-academy trusts (MATs), where the trust has a single funding agreement with the Secretary of State and supplementary agreements for the individual schools within the trust. All academies in the MAT are run by a single board of directors. It is possible for academies to enter into a different type of grouping known as an umbrella trust, whereby each school converts separately to academy status, with its own funding agreement, but they then come together to share governance and services.³⁰

National curriculum. Maintained schools in England are legally required to follow the statutory national curriculum which sets out in programmes of study, on the basis of key stages, subject content for those subjects that should be taught to all pupils. The national curriculum forms one part of the school curriculum, which all schools must publish online. The national curriculum is structured into core subjects, and foundation subjects. Foundation subjects may be referred to as 'non core (national curriculum) subjects' in this report.³¹

Ofsted. Ofsted is the Office for Standards in Education, Children's Services and Skills. Ofsted reports directly to Parliament and is independent and impartial. It inspects and regulates services in England that care for children and young people, and services providing education and skills for learners of all ages. Inspection provides an independent assessment of the quality of provision. Regulation determines whether providers are fit to provide services; Ofsted takes enforcement action against those that are not.³²

Opportunity areas. Areas identified as most challenged when it comes to social mobility. Through funding from the Department for Education, they will see local partnerships formed with early years providers, schools, colleges, universities, businesses, charities

³⁰ Parliament.uk (2015), Academies and federations, available at <https://www.parliament.uk/academies-and-free-schools>

³¹ Department for Education (2014), The national curriculum in England, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/381344/Master_final_national_curriculum_28_Nov.pdf

³² Gov.uk, Ofsted, About us, available at <https://www.gov.uk/government/organisations/ofsted/about>

and local authorities to ensure all children have the opportunity to reach their full potential.³³

Physical education and sport premium. Most schools with primary age pupils receive the physical education and sport premium in the academic year 2017 to 2018, including schools maintained by the local authority; academies; and free schools. Schools must use the funding to make additional and sustainable improvements to the quality of their physical education and sport offer.³⁴

Pupil premium. This is additional funding provided to publicly funded schools in England with the aim of raising the attainment of disadvantaged children. Pupil premium funding is available to: schools maintained by the local authority, including schools for children with special educational needs or disabilities and pupil referral units (PRU), for children who cannot go to a mainstream school; academies and free schools, including academies for children with special educational needs or disabilities and alternative provision (AP) academies, for children who can't go to a mainstream school; voluntary-sector alternative provision, with local authority agreement; non-maintained special schools (NMSS), for children with special educational needs as approved by the Secretary of State for Education under section 342 of the Education Act 1992.³⁵

Regional School Commissioners. Civil servants employed by the Department for Education who are accountable to the National Schools Commissioner and work with school leaders to take action in underperforming schools. Each of them is supported by a headteacher board, which are made up of experienced academy headteachers and other sector leaders. Their main responsibilities on behalf of the Secretary of State and the Department for Education include: taking action where academies and free schools are underperforming; intervening in academies where governance is inadequate; deciding on applications from local-authority-maintained schools to convert to academy status; and improving underperforming maintained schools by providing them with support from a strong sponsor. There are eight Regional School Commissioners: East of England and North-East London; East Midlands and the Humber; Lancashire and West Yorkshire; North of England; North-West London and South-Central England; South-East England and South London; South-West England; and West Midlands.³⁶

³³ Gov.uk (2016), Social mobility package unveiled by Education Secretary, available at <https://www.gov.uk/government/news/social-mobility-package-unveiled-by-education-secretary>

³⁴ Gov.uk (2017), PE and sport premium for primary schools, available at <https://www.gov.uk/guidance/pe-and-sport-premium-for-primary-schools>

³⁵ House of Commons Library (2018), The pupil premium, available at <http://researchbriefings.files.parliament.uk/documents/SN06700/SN06700.pdf> ; Gov.uk (2018), Pupil premium: funding and accountability for schools, available at <https://www.gov.uk/guidance/pupil-premium-information-for-schools-and-alternative-provision-settings>

³⁶ Gov.uk, Schools Commissioners Group: about us, available at <https://www.gov.uk/government/organisations/schools-commissioners-group/about>

Special educational needs funding. All mainstream schools are provided with resources to support pupils with additional needs, including those with special education needs (SEN) and disabilities. SEN funding is part of the overall Dedicated Schools Grant allocated to each local authority to fund their schools budget. It is for local authorities, in consultation with their schools forums, to determine the individual allocation to schools. It is for schools, as part of their normal budget planning, to determine their approach to using their resources to support the progress of pupils with SEN. Schools are not expected to meet the full costs of more expensive special educational provision from their core funding. The responsible local authority, usually the authority where the child or young person lives, should provide additional top-up funding where the cost of the special educational provision required to meet the needs of an individual pupil exceeds the nationally prescribed threshold.³⁷

Sponsored academy. Sponsored academies are typically previously underperforming schools which have been compelled to convert. The process involves a sponsor setting up an academy trust which then signs a funding agreement with the Secretary of State for Education on how the academy must operate. Sponsors are responsible for the finances and performance of their school or schools, selecting the governing body and recruiting the headteacher. They are not required to provide additional funding of their own and will receive a grant from the Department for Education for pre-opening costs.³⁸

Standalone school. In this report, a school that is not part of a federation or multi-academy trust. It may include a maintained school or a single academy.

Teaching school. Centres of excellence that take on a more focused role that prioritises coordinating and delivering high quality school based initial teacher training; providing high quality school to school support to spread excellent practice, particularly to schools that need it most; and providing evidence based professional and leadership development for teachers and leaders across their network. A teaching school alliance is led by a teaching school and include schools that are benefiting from support, as well as alliance deliverers who lead some aspects of training and development.³⁹

Voluntary aided school. See maintained school.

Voluntary controlled school. See maintained school.

³⁷ House of Commons Library (2018), Special educational needs: support in England, available at <http://researchbriefings.files.parliament.uk/documents/SN07020/SN07020.pdf> ; Department for Education (2015), Special educational needs and disability code of practice: 0 to 25 years, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/398815/SEND_Code_of_Practice_January_2015.pdf

³⁸ Parliament.uk (2015), Academies and free schools, available at <https://www.parliament.uk/academies-and-free-schools>

³⁹ Gov.uk (2014), Teaching schools and system leaders: get support for you and your school, available at <https://www.gov.uk/guidance/system-leaders-who-they-are-and-what-they-do> ; Gov.uk (2014), Teaching schools: a guide for potential applicants, available at <https://www.gov.uk/guidance/teaching-schools-a-guide-for-potential-applicants#supporting-other-schools>



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