

Schools Company July 2015 Update

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1. Introduction

The purpose of this update is to ensure that the questions that have been raised with regard to the proposed Sheffield Schools Company are answered, as fully as possible as we come to the end of the current school year.

The questions have come from a range of audiences and working groups, including Primary Leaders Conference, Governor Briefings, Head Teacher meetings etc. These questions have been organised into the following sections;

- Legal
- Leadership & Workforce
- School Improvement
- Finance & Facilities
- Communication & Timeline
- General

The timing of this document enables us to provide full answers to many of the questions. For example, we can now say that the proposed name of the Company will be Learn Sheffield. The final decision on the company rests with the City Council Cabinet, who will make this decision on 22nd July. If they agree to the formation of the company, the project will move into its interim phase and the work carried out so far will provide the starting point for how the company will develop under the interim leadership of the company.

The communication timeline over-page outlines when further information will be available, providing the School Company is approved by the Council Cabinet on the 22nd July.

Schools Company Communication Timeline

(July-September 2015)

- **July 2015 (pre-incorporation)**
 - July Update published (including Q&A sections) - emailed to all school leaders.
 - Governor briefings followed up - presentation & website information emailed

- **August 2015 (post-incorporation)**
 - Press release and publicity.
 - Document website launched containing available public documents - July Update, Primary Conference feedback, Governor Briefing presentation, etc.
 - Interim Leadership update and document/information on to the webpage.
 - Articles and Objects on to the webpage.

- **August/September 2015 (earliest opportunity)**
 - Company website launched – initial pages and transfer of webpage content.
 - Company social media presence launched.
 - Vision on to the webpage in text form if agreed.
 - Briefing for Governor Clerks ahead of autumn full governor meetings.

- **September 2015 (autumn term)**
 - Prospectus added to the website.
 - Governor briefing pack (to include the operating model and meeting guidance) added to the website, printed and publicised.
 - September Update newsletter published.
 - 25th September School Leader Conference held including briefing, showcase of partnership working & cross sector planning workshops regarding high-needs funding.
 - September launch briefings – roadshow events held (including Governor briefings).
 - Commission information and wider company KPIs published.
 - Strategy for communication with the wider Sheffield workforce and community considered.

This project has been a collaboration involving all stakeholders within education in Sheffield. The working group would like to thank all of the individuals and institutions, for the contributions that they have made and the commitment that they have shown. It has been a year of rapid progress in the partnerships within and between sectors, and this would not have been possible without a willingness across the city to consider new solutions. The moral imperative has remained constant but the re-affirming of a commitment to act together as a city has brought fresh impetus. Thanks to all involved.

2. Legal Q&A

What are the articles?	The articles of association of a company are basically the company's rule book setting out the parameters within which the company can act (as it contains the legal powers of the company and also its objects – the reasons and purpose why it operates) and how it makes decisions. If there are any disputes at meetings or within the company the company secretary and directors should be able to easily find the answer within the articles.
Why does the company have to have articles?	The Companies Act stipulates that all companies must have articles. These can either be in a standard form or bespoke. The articles for the Schools' Company are bespoke and have been drafted to reflect the many discussions that have been had by the Full Working Group and also the Legal and Governance Group. They have also been drafted to ensure that all of the company's members can contract with the company without having to worry about procurement regulations. Independent solicitors, Winckworth Sherwood based in London have approved the articles as being appropriate for the needs of the company. The articles are a public document. They are filed at Companies House and available to the public for inspection for a small fee. All members of the company are entitled to receive a copy on request.
Can the articles be changed?	Yes, the members have the power to alter the articles by passing a special resolution (75% majority) and then filing a copy of the resolution and the amended articles at Companies House
What is the Memorandum of Association?	This is a document which provides a snapshot about the company at the date it comes into legal existence (incorporation). It is filed at Companies House and records who the first members of the company are and the fact that they have come together to agree to form the company. It also sets out the type of company which is being formed – in this case a company limited by guarantee and being not for profit. As other members join the company they will need to sign a Register of Members which will be maintained by the Company Secretary.
How are the articles set out?	The articles are divided into 7 different parts: <ol style="list-style-type: none">1. Interpretation, limitation of liability, objects, powers, guarantee of members, income and winding-up2. Directors – powers and responsibilities and decision making3. Members – becoming and ceasing to be a member, organisation and voting at general meetings4. Administrative arrangements5. The role of the council as the Supervising Authority6. Rules relating to the sale of the company7. Powers to establish rules and dealing with disputes

<p>What type of company will it be and how is this reflected in the articles?</p>	<p>The company will be a private company so it is not open to any member of the general public to join but has specified classes of membership (publicly funded schools, academies and further education institutions such as the Sheffield College and the Longley Sixth Form College).</p> <p>It will be limited by guarantee. This means that the members don't buy shares to join the company but that each member will have to be a guarantor of the debts of the company in the event that it's wound up owing monies. The amount of this guarantee is £25 and this is the limit of each member's liability to the company.</p> <p>It will be a not for profit company which means that any surpluses generated aren't shared amongst the members as in the case of a shareholder model but will be re-invested in the company for example, in developing new services and research and development. The directors may however propose that member loyalty should be rewarded if a profit is generated perhaps by reducing prices for those members that purchase services from the company.</p> <p>As a not for profit organisation if the company is wound up with outstanding assets and property, the members cannot profit from this but these assets have to be transferred to another company or organisation having similar objects.</p>
<p>What are the company's objects?</p>	<p>These set out the aims of the company – what its day to day business will be. The objects are largely charitable; for instance the advancement of education but not wholly so because this could limit the scope for trading for the company. The focus on the company is school improvement but this encompasses a wealth of other opportunities and isn't just about attainment and progression, important as they are. We have included as an object the provision of welfare, health and social, personal, emotional and well-being services for children aged 0-19 so that the company can offer a holistic range of services aimed at improving outcomes for children.</p>
<p>What powers will the company have?</p>	<p>The company has all the relevant powers which it needs to be able to function and carry out its business on a day to day basis so for example it can buy and sell or lease property, borrow money, invest funds, buy stocks and shares, enter into contracts, set up other companies and has a catch all provision to do anything else (lawfully) to enable it to pursue its objectives.</p>
<p>Who will be the members of the company?</p>	<p>Membership will be open to any publically funded school or college in Sheffield. So this includes all categories of maintained schools (community, foundation, voluntary) as well as all academies and free schools. It includes all phases – infant, junior, secondary and post-16. It also includes the special schools. Membership isn't open to private schools nor is it open to schools and colleges that aren't based within Sheffield.</p> <p>As the legal entity for schools and academies is the governing body or the academy trust it will be the governing body or the academy trust that will become the member, not any one individual such as the Chair of Governors or Headteacher. The decision to join the company is therefore a decision for the whole governing body.</p>

<p>My school is part of a large multi-academy trust – how will membership of the company work for us?</p>	<p>We intend to allow any school that has its own unique UPRN to be a member in its own right and exercise the right to a vote. How this works in practice will be down to your academy trust – whether to allow the local governing body a free vote or whether the trust will exercise a block vote. This will need to be addressed within your own trust’s governance arrangements.</p>
<p>My school is in a federation with another school. If my school wants to join the company but the other school doesn’t feel ready what can we do?</p>	<p>Each governing body of a federated school will have to decide what they believe to be in the strategic long-term interests of each school. Because we have said that even if schools have only one governing body each institution with a UPRN number should be able to join if it wants to and exercise the power to vote at members meetings then you should be able to have a discussion and there should be no reason why the governing body can’t join on behalf of one of the federated schools but not the other</p>
<p>If we decide to join the company and later decide it’s not right for us what can we do?</p>	<p>You can leave the company at any time by giving 28 days’ notice in writing to the company. Membership isn’t transferable so you can’t transfer your membership to another school.</p>
<p>If we leave the company is this the end of any financial liability – can we just walk away?</p>	<p>If you are a member of the company and have given the 28 days’ notice of your intention to resign your membership then once this period has expired you will no longer be a member of the company. However, as a guarantor you will still be responsible to make a contribution of up to £25 if the company is wound up owing debts within one year of you ceasing to be a member. This is to prevent the situation whereby the company looks as though it is about to fail creating a mass exodus by the members from the company and no funds are available to pay the company’s debts.</p>
<p>How many votes will a member school have in member meetings?</p>	<p>Voting will normally be on a show of hands with one member having one vote. Each school with its own PRN number will have one vote at member meetings. As mentioned above it will be up to the federated governing body or multi-academy trust to decide whether each individual school can exercise a free vote or whether this should be a block vote.</p>
<p>I understand that the Council will also be a member of the company. What voting rights does it have?</p>	<p>The Council will have a significant financial stake in the company and so it will be able to exercise more voting power than any individual school in order to reflect this commitment to the success of the company. It will have a vote that will be equal to 20% of the total exercisable votes at a meeting. This means that if 12 members attend, 11 of whom are schools, the Council’s vote would be 20% and the schools together would be 80%. This means that the schools could always, if they so wished, act collectively to out vote the Council.</p>
<p>How often will the members meet and who should attend these meetings?</p>	<p>The members must hold an annual general meeting each year but if there is special business upon which a vote of members is required the directors may call a meeting or if the members want to call a meeting the directors must arrange one upon the written request of at least two members. An authorised representative of your governing body or academy trust or college should attend the meeting. This does not have to be the Headteacher or principal; it could be the Chair or Vice-Chair of the Governing Body or Trust. This decision will be for each school to take and then communicate this decision to the company secretary or board of directors.</p>

<p>What sorts of things will the members be asked to consider at the AGM?</p>	<p>The AGM is the members' opportunity to hold the directors to account for the success of the company. You should:</p> <ul style="list-style-type: none"> • Receive the accounts and the directors' report on the company's activities • Receive notification of directors' retirement and elect directors to replace them • Appoint auditors • Discuss and determine any issues of policy or any other business put to you by the Directors.
<p>How many members should be present at the AGM?</p>	<p>In order for business decisions to be made fairly and transparently there must be a pre-determined number of members present at the meeting. This number is called the quorum. The articles state that for business to be conducted there must be never less than 5 or, to the nearest number, one third of the total number of members present at the meeting. So if there are 22 members of the company 7 would form the quorum.</p> <p>However, there are further provisions about the quorum. The Council must be represented in the quorum as well as a representative from at least two other classes of membership</p>
<p>Who will chair the meetings of the members?</p>	<p>This will be the chairman of the Board of Directors</p>
<p>What happens if my governing body can't send anyone to the meeting but we really want to vote on an issue that's important to us?</p>	<p>We live in an age where technology allows for members to participate in meetings when they are not all physically in one place. The articles therefore permit members to join in the meeting remotely, either by telephone conference, Skype or similar or by email.</p> <p>Your governing body or academy trust could also appoint another member to act as your proxy and exercise your vote on your behalf.</p>
<p>If an agenda item is contentious can we vote anonymously?</p>	<p>Yes, you can ask for a vote to be taken not on a show of hands but by a poll which can be an anonymous vote.</p>
<p>If the members of the company only meet once a year how is the business of the company managed?</p>	<p>The governance arrangements of a company are very similar to the arrangements between a governing body or academy trust and the Headteacher and senior leadership team in a school. The governors are like the members, setting the long term strategic vision and the directors are like the head and leadership team. They have the day to day operational running and organisation of the business delegated to them by the members who then hold the directors to account and can remove them if they aren't happy with the directors' performance.</p>
<p>Who will these directors be?</p>	<p>Each of the classes of membership – the primary, secondary, special and further education as well as the Council, will have the right to elect directors to the Board.</p>

<i>Membership Class</i>	<i>Number of Directors</i>	<i>Appointed or elected</i>	<i>Paid or unpaid Executive/nonexecutive</i>
<i>Primary Schools</i>	<i>two</i>	<i>Elected by all of the primary members</i>	<i>Unpaid nonexecutive</i>
<i>Secondary Schools</i>	<i>two</i>	<i>Elected by all of the secondary members</i>	<i>Unpaid nonexecutive</i>
<i>Special Schools</i>	<i>One</i>	<i>Elected by all of the special schools members</i>	<i>Unpaid nonexecutive</i>
<i>Further education Institutions</i>	<i>One</i>	<i>Elected by all of the FE institution members</i>	<i>Unpaid nonexecutive</i>
<i>Sheffield City Council</i>	<i>Two</i>	<i>Appointed - either a Councillor appointment by the Council or an Officer appointment</i>	<i>Unpaid nonexecutive</i>
<i>Board Appointments</i>	<i>Number of Directors</i>	<i>Appointed or elected</i>	<i>Paid or unpaid Executive/nonexecutive</i>
	<i>One</i>	<i>Appointed</i>	<i>Paid Executive Director to run the company on behalf of the Board</i>
	<i>Up to three independent directors appointed to bring skills, knowledge and experience to the Board</i> <i>(at least one of whom must not have been employed by any school, academy, FE institute or SCC in the immediate preceding two years)</i>	<i>Appointed by the Board after being approved by the members</i> <i>Automatically becomes the Chairman of the Board</i>	<i>Unpaid nonexecutive</i>
<i>Total</i>	<i>Up to 13 Directors</i>		<i>One Executive Director</i>

Who should we nominate to stand for election as a director?

This is a good question. It doesn't automatically have to be a Headteacher. It could be a chair of governors, a vice chair or even somebody not currently connected with a school or FE Institute, as long as you, and they, think that they have the necessary time, commitment and skills, knowledge and expertise to strengthen the board.

It is important to remember that although each class of members elects directors their role, once appointed to the board, isn't to act as a representative of your membership constituency but to act in the best interests of the company and to further its objects.

There are certain restrictions on holding a directorship. For instance, in this case you have to be a person as opposed to a company or other legal body, over the age of 18 and not disqualified under the Companies Act 2006 or Education Act 2002 and the School Company Regulations 2002.

<p>What would a director's term of office be?</p>	<p>This would normally be for three years. However, if a director is a Headteacher or a governor, a councillor or a council officer and they cease to hold that office, they would cease to be a director</p>
<p>What could members do if they feel that the Board isn't operating in the way that we would expect?</p>	<p>Members could remove a director, including the independent directors by an ordinary resolution (simple majority) at a meeting. Also, because it is important that the board is active and engaged, if a director fails to attend three consecutive meetings they must resign if asked by a majority of the other directors to do so.</p>
<p>How often will the Board meet ?</p>	
<p>Who will Chair the Board?</p>	<p>The Working Group and the Legal and Governance Group felt that it was important that the Board should be led by someone who would be seen as completely impartial and independent of any and all of the members and so it was agreed that this person should be both a director who has neither been elected nor appointed by members as a constituency/class director but someone whom the directors can recommend to the members as having the necessary leadership skills, independence and "gravitas" to lead the Board.</p>
<p>I've heard about directors of big companies getting huge salaries and bonuses. What's to stop this happening in this case?</p>	<p>Only the Executive Director (the Chief Executive Officer (CEO)) can be paid. The pay and performance management of the CEO will be determined by a Remuneration Committee consisting of three directors (one of whom must be a council director). If members are unhappy about the pay award they could express this at the AGM. The nonexecutive directors are not entitled to any pay or remuneration for holding this office. They could claim reasonable expenses, for example, travel out of the city, or indeed in the case of independent directors, travel into the city. This is currently the case with governors but they rarely, if ever, make such claims and it is anticipated that this will be the norm with the directors too.</p>
<p>How will the board prevent conflicts of interest arising? For example, if the Board is discussing the commission of a service from a particular school and one of the directors is also a governor at that school.</p>	<p>The articles make provision for this situation arising in terms of both a pecuniary and non-pecuniary interest arising and specify that the director must declare an interest, withdraw from that part of the meeting, not be counted in the quorum for that part of the meeting and not have a vote on the matter. This is how governors deal with such situations now. If there is any doubt then the chairman has the power to make rulings on these issues.</p>
<p>How do directors make decisions? What if there is a tie of votes?</p>	<p>The directors must make collective decisions, however, as is the case with members, they don't have to be physically all in one room to do so as long as everyone is able to communicate together in whatever form . If there's a tie in votes the Chairman has a casting vote</p>

<p>What protection will there be for people who are effectively volunteers taking on these important roles?</p>	<p>We do not expect the new directors to be experts in company law and the duties of directors. Training will be provided and the company will be able to purchase legal advice, either from the Council’s own in-house legal team or externally if this is felt to be more appropriate. The articles do allow for the company to either provide an indemnity to a director from out of the company’s assets or to purchase indemnity insurance.</p>
<p>I’ve heard that the council has another role to play in the company and that it can stop a school joining or make a school leave the company. How is this going to work?</p>	<p>You are right that the Council will both be a member of the company and also has to act as the supervising authority in accordance with the School Company Regulations 2002. This is essentially quite a light touch role and is designed to ensure that maintained schools don’t become so embroiled within the company that they take their eye off their main business – pupil progress and attainment in their own school. This is likely to be more of an issue where you only have a small number of members and directors. But you are also right that if a maintained school goes into a deficit budget or goes into an Ofsted category then the Council as the supervising authority can make directions either limiting a school’s involvement in the company or requiring them to resign membership.</p>
<p>If, as we hope, the company is a big success, what is to prevent the company being sold by the directors to a major private competitor, such as Capita?</p>	<p>Firstly, the sale of the company has to be approved by the members by a special resolution so 75% of the members have to agree to such a move. Secondly, the articles prohibit the sale to any organisation that isn’t itself a school or academy, an FE Institution, the Council or another company limited by guarantee or a charity with similar objects. Lastly, the members and directors are prohibited from gaining financially from their involvement with the company so if it was sold at a profit such a profit would have to be transferred to another company or charity with similar objects and this would have to be approved by the members.</p>

3. Leadership and Workforce Q&A

<p>Given that the capacity in the LA is low, how will the company achieve better school improvement outcomes using a LA commission?</p>	<p>The working assumption is that the capacity of the school improvement team will be doubled. This is likely to be in the form of full time equivalence from a much larger number of people who work for the company for a number of days per week/year, rather than recruiting three or four more advocate roles. This would be intended to bring flexibility and currency into the capacity.</p>
<p>How will the school improvement team be formed?</p>	<p>The team is planned to contain a core group (initially existing Advocates) supplemented by additional capacity, as outlined in the model below. The core group offer continuity and stability, generally working for the company full time or for the majority of their week and including team members who will provide continuity from year to year. The extended team offer flexibility (as they can be employed when most needed) and currency (as they will often be school based).</p>
<p>What about who is employed by the company and existing employees of LA? Does the company take on pension's deficit? Who will decide which LA advocates is part of schools company? Do LA advocates come from the current 'pool' or will they be recruited from wider field?</p>	<p>The legal advice and discussions to this point are predicated on the principle that the advocates may be seconded to the company in the interim and that TUPE is likely to then apply. This would be because of the match between their current role and the roles in the company. The LA Advocates therefore come from the current pool, which is 3.1FTE staff in primary and none from other sectors. This is still work in progress and the workforce group have been developing this further. The details regarding pensions and transfers will be developed by the Interim Leadership.</p>
<p>How will we ensure that statutory duties are carried out during the transition between the old system and the new one?</p>	<p>The workforce group, which has been chaired by Bev Nicholson, has been considering the transition and ensuring that there is continuity, with no key actions missed. This work has run alongside the development of school improvement approaches, which will be further developed in September.</p>
<p>How will the Interim Leadership be recruited? Who will be involved in the recruitment process?</p>	<p>The Interim Leadership 'change team' will be recruited by a sub-group of the Shadow Board. This will involve a representative of the primary, secondary and special sectors, alongside a governor representative and a Councillor. They will invite expressions of interest from within the city and then identify the capacity they require for the change team and a leader from within that group.</p>
<p>When will the Interim Leadership be recruited?</p>	<p>The closing date for expressions of interest will be just before the end of term, with the recruitment taking place following incorporation, during the first week of the summer holiday (extended for candidates who are not available).</p>

The next two pages contain the proposed Interim Leadership and workforce model and the workforce roles and responsibilities. This model has informed the Interim Leadership recruitment process, whilst the roles and responsibilities are part of the draft operational plan that will be further developed by the Interim Leaders once appointed.

Proposed Interim Leadership & Workforce Model



Interim Board

1 Primary, 1 Secondary, 1 Special, 1FE, 1 Council, 2 Co-optees



Interim leader
(1 FTE?)



Leadership
Team Member
(0.4 FTE?)



Leadership
Team Member
(0.4 FTE?)



Leadership
Team Member
(0.4 FTE?)

Leadership / Change Team

To be seconded from Sheffield schools - with Primary, Secondary and Special sector expertise including business expertise



Project Support (provided by Sheffield City Council)



School Improvement Team including 3.1 fte staff TUPed from CYPF

An expanded team – comprising a core team supplemented by an extended team who provide flexible additional capacity

Workforce Roles & Responsibilities

Role	Selection Process	Functions	Handover / Transition
Board	<ul style="list-style-type: none"> Nominated by Sector / Council Recruit Co-optees 	<ul style="list-style-type: none"> Evolve new ways of working Define working groups & relationships Governance of the Company To enact the articles Manage leadership performance Develop strategic business plan and Target Operating Model Recruit substantive leadership (including mile stoning of traded services) Develop & adopt policy & procedure 	<ul style="list-style-type: none"> From January – establish a process for Company members to elect the substantive board in accordance with the articles Establish a handover process Nominated Governors resignations Co-opted Governors resignations (upon recruitment of independent Directors)
Leadership / Change team	<ul style="list-style-type: none"> Recruited by the Shadow Board Confirmed following negotiations with substantive employers 	<ul style="list-style-type: none"> Analysis & reporting on Company performance (KPI's / Commission) Establish the protocols for the flow of information between the Council & the Company with the Client function School Improvement Further development of strategic partnerships within and between sectors (e.g. supporting primary localities) Develop a plan to increase capacity within the system (e.g. strategic overstaffing) Develop plans to address City wide priorities (e.g. recruitment) Develop strategic relationships with non-members (R&D), commercial developments and sustainability Manage School Improvement team performance 	<ul style="list-style-type: none"> Design handover process with substantive appointment Develop a proposal for an indicative future structure
School Improvement Team	<ul style="list-style-type: none"> Secondments leading to TUPE Development of a QA framework to inform a transparent commissioning framework Needs analysis leading to commissioning From September the current school prioritisation process will be used pending new approach Consider flexible resourcing for School Improvement workforce 	<ul style="list-style-type: none"> Deliver the School Improvement package and bespoke School Improvement work / activities Deliver the LA Commission (monitor challenge, support & interventions) (Ven diagram) outcomes & good outstanding etc. Improve / achieve KPI's (Statutory & non-statutory School Improvement work) 	<ul style="list-style-type: none"> TUPE Recommendation / feedback on performance evaluation of performance team

4. School Improvement Q&A

What statutory duties will be taken on by the company?	<p>The statutory duties are those which relate to Advocacy and Challenge.</p> <p>The draft commission will be shared in the autumn and is being co-constructed by the working group (soon to be replaced by the Interim Leadership of the company) and the Council. It will be an outcomes based commission, so it will be up to the company to decide how to approach the work in order to achieve the outcomes required in the commission.</p>
How will the company be measured in fulfilling the commission?	<p>The commission will have key performance indicators in some form, although these are also being co-constructed and will now be developed with the Interim Leadership. The company may well also want to develop additional objectives and indicators, which take a broader view of the impact that the company would wish to have.</p>
Will other City Council statutory duties, for example safeguarding, be taken on by the company?	<p>There are no plans for this at the present time. The process for further commissions would be the same as this one, with the Council needing to decide that they would wish to commission the company but the company not being obliged to therefore accept.</p>
How will additional school improvement activities be funded? What will a school improvement offer look like in each sector?	<p>This may work differently in each sector, but in primary it is likely to be funded as a traded service. Other sectors may achieve this by pooled funding or via a bespoke funding model. Initial primary costings were shared at the conference, with this funding model then being used in the outline financial planning for the company. The workforce group have developed the content planning and this will be passed on to the Interim Leadership to take forward in September, possibly as a menu of options for primary schools to access once they have bought in.</p>
When will we know what the primary school improvement offer looks like? Why don't we know this already?	<p>This will be available as soon as possible in the autumn term. It is being developed in a different way and this makes a difference to how long the process takes. In a school-led system these kind of services need to be developed with schools, to ensure that they are meeting the needs of the schools. This takes longer than the more typical traded service approach of designing a service and offering it, but does have the potential to have greater long term impact for a larger proportion of schools.</p>
How can we ensure that the quality of locality working isn't impacted on negatively?	<p>There is commitment to developing a locality model. Localities will continue to doing what they currently are and the Schools Company will support current activities. Funding models being considered are designed to build from where the locality is rather than impose a structure which could be too large a partnership jump for some and restrictive and retrograde for others.</p>

**It is expensive for a consultant to visit each school and write a report – is this best value? Could heads visit each other’s schools with the validation / support of external consultants?
Who owns the report? How are actions followed up?**

This is to be determined by the interim leadership, using the work developed by the workforce planning group. It isn’t finalised but the value of peer review has been consistently acknowledged throughout this work. School Improvement approaches outside Sheffield are also being used to inform the thinking, which will get to the details about reports in the autumn. The follow up to supported school self-evaluation, where actions are taken into locality and school action plans with the activities agreed, are a key principle of the work.

A directory of providers of CPD/SLEs etc. would be useful to schools?

This audit is being carried out by the Sheffield Priorities group, which has contained TSAs and other providers. The better joining up of needs, agreed and identified by schools with support from colleagues and the company, and provision is considered by the working group to be key to the success of the company.

5. Finance and Facilities Q&A

<p>What will happen to company profits?</p>	<p>Any surplus made by the company from trading can only be used to achieve the objectives of the company. The company will seek to make surpluses so that it can undertake more activities designed to improve schools and achieve the objectives. The legal Q&A contains more details on these areas.</p>
<p>How secure is the Council funding being given to the company?</p>	<p>The Council has committed to a three year arrangement. The security for the Council comes from the outcomes based performance indicators, through which it will be able to measure the success of the company. The security for the company is that it knows how much income the commission will bring in to the company for three years. Whilst any new endeavour or approach has risks they must be compared to the current levels of security in funding and the impact that the national landscape is having on the city.</p>
<p>Funding model is only based on primary, what about funding from special & secondary if this is a true schools company? Re board members</p>	<p>This is still work in progress and a plan for each sector will be developed. Secondary and post-16 are likely to have a model that is developed after September. Special have a proposal which a funding model is being developed for.</p>
<p>Will the schools company fund the secondment of the interim leader & future CEO?</p>	<p>This will be funded from budget of the School Company.</p>
<p>Why is there not a business plan? We would like expenditure –vs- income. Is this viable?</p>	<p>The working group has shared some financial information (see below) but the business case and plan will follow in the autumn term. It is important that the key decisions about the company are taken by the company and not the working group, so that it can develop as an independent organisation. The transition from interim to substantive leaders, both executive and non-executive, will also be considered in this process.</p>
<p>What are the implications of establishing the Company for other Council services?</p>	<p>The original City Wide Learning Body Phase 3 consultation talked about ‘a hundred percent of school facing services’ having the potential to move to the company. Whilst this is potentially true it is important to understand that any changes need to be mile-stoned carefully, as the focus of the company leadership needs to be initially on school improvement. For any future services to be considered the Council would need to have decided that this would be desirable and the company would need to agree. There is no obligation on the Council or the company to undertake this process.</p>
<p>Trade Unions have requested that the company develop a staff consultation framework. Will this happen?</p>	<p>This will be passed on to the Interim Board and Leadership when established.</p>

What about other funding (for example Innovation Hubs and Teaching Schools) may have access to funds that can support the model?

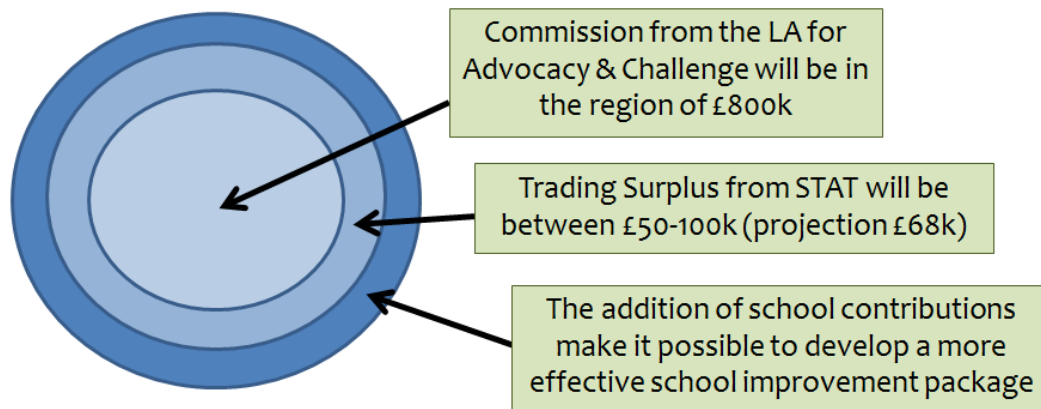
This can continue to happen, as it has done previously. At present these funding bids are more easily developed and better targeted where the system intelligence (e.g. how well schools know and understand the needs of each other) is greatest. The company model is designed to enhance this and develop all parts of the city in being able to replicate this.

Who will decide on funding for localities? Will this be on the basis of size and/or need? This is a key question where the extent of the transparency and ownership will be tested?

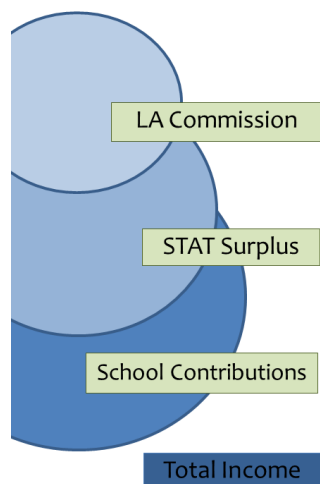
The company will decide this, but it is a company owned and driven by schools. It is correct that these kind of issues, where limited resources are being prioritised at a time when budgets are under pressure, will be key tests of the ability of a school led system to deliver. With a greater ability to shape the system comes greater responsibility for the choices that are made.

How will the company be funded?

- Sheffield's current spend on education is £400m
- By acting together we can combine the budgets for statutory work and school improvement work to achieve more
- Traded services improve the quality and/or reduce the cost to Sheffield Schools ... e.g. at present, the better STAT does the greater the contribution it makes to the School's Company and its schools



How will the company be funded?



	Year One (2015-16)	Year Two (2016-17)	Year Three (2017-18)
LA Commission	£800k	£800k	£800k
STAT Surplus	£68k (2014-15 Surplus) £144k (Based on 250 non-Sheffield STATonline schools)	£288k (Based on 500 non-Sheffield STATonline schools)	£432k (Based on 750 non-Sheffield STATonline schools)
School Contributions	£111k (Based on 75% buy in to Primary Sch Imp)	£125k (Based on 85% buy in to Primary Sch Imp)	£140k (Based on 95% buy in to Primary Sch Imp)
Total Income	£1123k	£1213k	£1372k

How will the company be funded?

Income Sources	Year One (2015-16)	Year Two (2016-17)	Year Three (2017-18)
LA Commission	£800k	£800k	£800k
STAT Surplus	£68k £144k	£288k	£432k
School Contributions	£111k	£125k	£140k
Total	£1123k	£1213k	£1372k

This funding model does not include a number of potential income sources, which would be developed by the School Company in the interim phase and subsequently. Examples of this may include additional traded income (from STAT and other partnerships and services), school improvement contributions from other sectors, etc.

6. Communication and Timeline Q&A

<p>What will the company be called?</p> <p>How has the name been arrived at?</p>	<p>The company will be called Learn Sheffield.</p> <p>Four potential names were chosen by the communications and facilities group for consultation with all stakeholders. This consultation was time limited but included a ‘survey monkey’ online vote, the options being shared at Governor briefings and conferences, plus discussions by different sector groups</p>
<p>How will the company communicate with schools?</p>	<p>The company will communicate directly through the locality structures and other meetings and forums. This aspect will be a key recommendation from the working groups to the interim leadership, who will need to consider this when workforce planning. It will also have a website and a social media presence, which will be developed to communicate with all stakeholders as effectively as possible.</p>
<p>What will be included in the company prospectus in September?</p>	<p>The prospectus will be a short summary of the purpose, vision and aims of the company, along with operational detail. It will be directed at all stakeholders but will, in particular, be part of a pack of materials for governing bodies who are discussing joining the company in the autumn.</p>
<p>Could the Schools Company take over communication i.e. provide briefings to ensure there is an efficient communication model that covers statutory and essential information?</p> <p>Could the company communication replace School Point in the future?</p>	<p>These ideas were raised at the primary conference and have been discussed since, including in the primary resources group. There was widespread support for a return to briefings and the possibility that the primary teaching school could potentially co-ordinate this.</p> <p>The brief sent to potential website and branding providers included the possibility that there could be a substantial migration of content, for example the current School Point, in the future. This is at an early stage but the initial developments are considering the possibility.</p>
<p>Where will the company be based?</p>	<p>This is yet to be confirmed and discussions are taking place at present.</p> <p>The company is unlikely to have a headquarters in the conventional sense, but would prefer to have accommodation which included meeting and training spaces, which could be made available as a source of income.</p>
<p>Where will the company get facilities (e.g. HR, payroll, legal advice, premises services, etc.) from?</p>	<p>The company, like any company, will be free to procure facilities services from wherever it decides offers the best quality and value. This can be from members, including the Council, but there is no obligation for this to be the case.</p>

7. General Q&A

Would private / independent schools ever join?	No but they can trade with the company and buy services. The principle is publically funded settings (which is also important from the legal side of things).
Independent schools cannot join the company; does that mean we would exclude EY1, PV1 sector also? Especially in light of recent announcement on increase to 3hr FEL, these are our children too.	As above in terms of membership for independent providers but the importance of engagement with the EYFS sector will be high on the priorities of the company. The legal group, in feeding back to the full working group acknowledged that the issue of early years and the company will need to be revisited once the company is established and the wider strategy is better understood.
Where are the IR's in the specialist schools plans? Especially for transition How do we access support from special schools to cater for children with exceptional needs in mainstream setting?	Opportunities for cross sector working within the company could enhance what happens now and/or provide a fresh impetus for both outreach and transition activities.
Is this the only model for collaborative working?	There are many models for collaborative working! The benefits of this one are that a school company can limit liability of members, can trade and can be commissioned to carry out statutory duties. The potential to build on existing partnerships and deliver a school led improvement model are also attractive. We will find a sensible way to share the reasoning that the groups did in considering and rejecting other models.
Why is the company model based around existing Localities? Is this an opportunity to redefine the system based on needs and priorities? Can the system be reviewed on a city wide level to consider if groups could remain fluid and therefore respond to shifting needs and priorities better?	It is possible that the existing localities will need to be reviewed, and this is likely to be an on-going process as the company becomes established. At this early stage the localities provide a workable starting point, along with the principle that schools can also work in any partnerships that they feel add value.

If the company is incorporated, following a positive decision by the Council Cabinet, it will set up a forum for further and on-going questions to be asked. This will support further communication in September, alongside the prospectus, governor meeting pack and the conference/roadshow events.