

15 April 2013**Agenda Item: 5****REPORT OF THE SERVICE DIRECTOR, EDUCATION STANDARDS AND
INCLUSION****PROPOSAL TO ESTABLISH THE RUSHCLIFFE LEARNING ALLIANCE
LIMITED – A SCHOOL COMPANY****Purpose of the Report**

1. This report seeks the permission of the Committee to allow a group of twenty four primary schools in Rushcliffe to form a school company. Other schools may wish to join the company at a later date.

Information and Advice

2. Schools are allowed, if they wish, to form themselves into a company, registered at Companies House. This option to form a company was established in the Education Act 2002. The existence of a company enables individual governing bodies to enter into contracts as a group and to pool resources, without being a part of any formal structure which affects their direct governance, such as forming a federation or entering into a chain of academies. The company remains a separate legal entity from the schools with the governing body of each school remaining responsible for the running of its own school.
3. The Rushcliffe schools wishing to form the company, as listed below, hope to formalise their partnership working which they believe has been instrumental in their improvement over recent years and the high quality of their provision. They intend each school to commit a sum of £3,000 annually to the company. However, under the Articles of Association, the company is limited by guarantee and the liability of each school is limited to £10. Once the schools are established as a company they would be able, if they chose, to supply education related services to a wide range of people and other providers.

**Abbey Road Primary School
Bunny CE (VC) Primary School
Carnarvon Primary School
Cotgrave CE (VA) School
Cropwell Bishop School
Crossdale Drive School
Flintham School
Greythorn Primary School
Heymann Primary School**

James Peacock (Infant & Nursery) School
Jesse Gray Primary School
Keyworth Primary & Nursery School
Kinoulton Primary School
Lady Bay Primary School
Langar CE (VC) Primary School
Pierrepont Gamston (VA) Primary School
Robert Miles Infant School
Robert Miles Junior School
St Peters (Ruddington) CE Junior (VC) School
Tollerton Primary School
West Bridgford Junior School
West Bridgford Infants School
Willoughby Primary School
Orston Primary School

4. In order for a company to be formed, the schools have to have the permission of the Local Authority. The Schools Companies Regulations 2002 lists the grounds on which a Local Education Authority may refuse permission. These are only when:
 - A. The school is subject to special measures
 - B. The school has serious weaknesses
 - C. The Local Education Authority considers that the school is likely to become subject to special measures or be assessed as having serious weaknesses within the next year.
 - D. The school has a deficit budget
 - E. The Governing Body of the school has, within the last three years, been a member of a school company which has become insolvent at the time that the school's governing body was a member
 - F. The governing body of the school has been the member of a company which failed to act in accordance with these regulations within the last three years.
5. None of the schools listed in the proposed Rushcliffe Learning Alliance Limited breaches any of these conditions.
6. Once permission is given the schools plan to seek incorporation into company status as soon as it is practicable, most probably on 1 May 2013. At this point the Council would then be required to become the "Supervisory Authority" for the company. The Council would have the duty to notify the Secretary of State for Education of the particulars of the company and to monitor its finances.

Other Options Considered

7. There is no other option to consider. Schools have the right to seek to form a company under the Education Act 2002. Local authorities must give permission to schools to form a company unless one or more of their members are in breach of the Regulations set out in the Schools Companies Regulations 2002.

Reason/s for Recommendation/s

8. The legal requirements for the Council to give permission for the schools of the proposed Rushcliffe Learning Alliance Limited are fulfilled and, once permission is given, the Council is required to act as the “Supervisory Authority”.

Statutory and Policy Implications

9. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

That the Committee grants permission for:

- 1) the schools named in the Rushcliffe Learning Alliance, as listed in paragraph 3, to form a company limited by guarantee
- 2) any other school which wishes to join the company, and where the company agrees, in the future to do so, provided that each of such schools fulfils all of the criteria listed A-F in paragraph 4 of this report.

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Constitutional Comments (LM 20/03/13)

10. The Children and Young People's Committee has delegated authority to approve the recommendations in the report.

Financial Comments (KLA 20/03/13)

11. There are no financial implications arising directly from this report.

Background Papers

Articles of association of the Rushcliffe Learning Alliance Limited.

Memorandum of association of the Rushcliffe Learning Alliance Limited.

Collaboration agreement of the Rushcliffe Learning Alliance Limited.

School Companies Regulations 2002.

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Electoral Division(s) and Member(s) Affected

All Rushcliffe: Councillor Reg Adair
 Councillor Richard Butler
 Councillor Barrie Cooper
 Councillor John Cottee
 Councillor Michael Cox
 Councillor Kay Cutts
 Councillor Martin Suthers
 Councillor Lynn Sykes
 Councillor Gordon Wheeler

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