



Multi-academy trusts (MATs)

A background briefing paper

Dr Trevor Male

London Centre for Leadership in Learning

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Abstract

There has been an accelerating policy shift in England towards a system led improvement process for compulsory education, based on the principle of schools having greater autonomy. This government strategy has seen the rapid and further intended growth of academies, free schools, studio schools and university technical colleges (UCT) which are funded directly from central government, with a coterminous ending of the previous statutory relationship between state funded schools and local authorities. This radical policy has fundamentally changed the concepts of school governance and leadership within the country which, after a period of widespread academisation, has led to the preferred structure for supporting individual schools becoming the creation of Multi-Academy Trusts (MATs). In this model groups of academised schools are to be joined through the establishment of a trust which oversees the management of their prescribed educational provision through a corporate structure.

Correspondence:

Dr Trevor Male

London Centre for Leadership in Learning,
UCL Institute of Education,
20 Bedford Way,
London. WC1H 0AL
ENGLAND

T: +44 (0)207 612 6096

E: t.male@ucl.ac.uk

 @maletrevor

Introduction

This paper begins by tracking the shift in central government policy in England which encourages greater independence of state funded schools as a means of effecting improvement in student learning outcomes. The process of school self-improvement envisaged by this policy, largely attributable to central governments in the UK elected since 2010, placed an emphasis on the rapid development of academies, free schools, studio schools and university technical colleges (UTCs). Academies and free schools are directly funded by the government and are not obliged to follow the national curriculum; Studio schools are small versions of free schools which teach mainstream qualifications through project based learning, whilst UTCs specialise in subjects like engineering and construction.

The largest of these derivations are academies which are defined as publicly funded independent schools, established as limited companies, which receive their funding directly from central government rather than through a local authority. These companies are established as charitable bodies called Academy Trusts with three levels of governance – Members, Board of Directors and Local Governing Bodies. Members are commonly drawn from the sponsoring body which generated the trust, whilst the board of trustees (company directors) is expected to be comprised of suitably skilled people with a limit to the extent to which they are representative of the parent body and local authority (features of former governing bodies). Within an academy trust the governing board for each school has delegated powers and responsibilities from the board of trustees.

This represents a fundamental shift in the relationship between individual state-funded schools and local authorities, together with a relocation of decision-making and accountability from the school governing body to the board of trustees. Under the terms of the 1980 and 1986 Education Acts accountability, and thereby decision-making for state-funded schools in England, had been with governing bodies which typically comprised representatives of the local authority, parents and teaching staff. Headteachers/principals were responsible for the day to day management of the school

under the direction of the governing body. Articles and instruments of governance allowed democratic representation of the local community and provided a framework that could allow for the monitoring of professional power, becoming “part of the complex system of checks and balances evident in the administration of public services; the principal purpose of [which] is to address the concern society continues to exhibit over the prevention of fraud and misuse of public resources” (Male, 2006: 23).

Towards the academisation of England’s schools

Towards the end of the previous century the Labour government, elected in 1997, determined to effect improvement in the performance of underperforming schools in England. Their first attempt to improve schools, particularly those in deprived areas, was in 1998 to designate Education Action Zones (EAZ) which almost mirrored the work of previous Labour administrations of the 1960s which had designated schools in deprived areas as "Educational Priority Areas" and promised to give them extra money for school-building projects. An EAZ was expected to cover clusters of around 20 schools, usually 2 or 3 secondary schools and the rest comprised primary and nursery schools. Each zone was to be run by an Action Forum of local partners in the scheme, including the local education authority, local and national businesses, school governors, parents and other local and community groups.

It was notable that in each forum there was to be a lead partner for which the government wanted at least one forum to be led by a business partner. The involvement of business in running the nation’s schools became a central feature of subsequent policy by this and successive Labour governments during the early part of the current century. Seemingly obsessed by a wish to emulate the economic performance of other countries, the government placed faith in the simplistic premise that better performance by school students on standard assessment tasks would lead to enhanced economic performance for the nation. Schools in deprived areas, where there was frequently evidence of chronic underperformance, were targeted for improvement and to be provided with additional resources designed to enhance opportunity. Most importantly, it seems, educationalists were to take advice and guidance from business partners who, it was claimed, had a better understanding of how to prepare students for the world of work.

By 2000, however, it was clear that business partners were not engaging in the way envisaged by government with research showing many zones received little or no additional funds from private sources. The EAZ scheme was not renewed and a different attempt was made to enact this policy desire with the introduction of the Fresh Start scheme in which the weakest schools were closed and then re-opened under new management. This was not a success either, however, and in May 2000 Education Secretary David Blunkett said the Government had decided "a more radical approach" was needed and "substantial resources" would now be provided for the establishment of city academies (politics.co.uk, n.d.)

This new strategy was to build upon the previous Conservative government initiative of City Technology Colleges (CTC) with the opening of City Academies. The CTC programme had been established in the late 1980s with the intention of establishing state maintained schools which were independent of local government. One of the intentions of the Conservative government during that period of office was the marketisation of the public sector, an approach that was based on making providers responsive to demand. The Education Reform Act of 1988 was designed in many ways to transfer the power of decision making to schools and away from local authorities. The notion to set up CTCs had been driven by that principle and it was to this approach that the Labour government turned in the search to improve student outcomes in areas of chronic underperformance. City Academies were created by the Learning and Skills Act of 2002, to be sponsored by business partners, with CTCs to be encouraged to convert into academies. Three such academies were opened by 2002.

The Education Act 2002 also allowed 'City' to be removed from the title so that schools in non-city areas could join the programme and by 2006 there were 46 new academies, including some previous CTCs which had converted. In 2004 the government coined the descriptor of Sponsored Academies, which was backdated to 2002 to allow all such schools to be described as 'Academy'. The concept was underwritten by regulations which expected each academy to become a trust that was set up by a sponsor which entered a legally binding contract agreement with the Secretary of State, the Funding Agreement, which governed the way in which the academy operated.

At that time sponsors, which either could be private individuals/companies or organisations, were required to contribute 10 per cent of the academy's capital costs (up to a maximum of £2m), with the remainder of the capital and running costs to be met by the state. As had been the case with Action Zones, however, potential business partners were not so keen as government to commit financially to the nascent process of academisation which, coupled with high building costs, led to government spending £1.3bn by 2006 with an average cost of £25m to set up each new academy. The requirement for sponsorship was relaxed soon afterwards, ostensibly to allow for more organisations to commit to supporting schools without financial commitment, but was a move that was accompanied by less capital expenditure than had been evident until then.

The planned growth of academies through the rest of the Labour government never quite matched aspirations, however, with just 207 established by 2010 when a new Coalition government was elected. Under the determined direction of the new Secretary of State for Education, Michael Gove, there was a much more aggressive drive towards academisation. There was less emphasis on business involvement by this time and a greater focus on releasing schools from local authority control, towards a new system of school self-improvement which was deemed by Lord Adonis, the original architect of the academy programme, as the best way to "breach the educational Berlin Wall between private and state education". Conversion was now to be open to all schools and by January, 2011 there were already 407 academies, with a further 254 applications in place. The Academies Act 2010 further allowed for the Secretary of State to require the academisation of any school that was deemed to be underperforming, for which subsequently there were schools which were forced to become academies often against the will of governors, parents and teachers (Elton and Male, 2015). Conversely, schools that were deemed 'outstanding' by Ofsted were encouraged to become sponsor academies and provided with some financial incentive from government to aid the process.

By September 2011 there were 1300 academies and by July, 2017 this had grown to a total of 6493, with a further 1299 in the process of conversion (Department for Education, 2017). These figures show that overall whilst only 32.5 per cent of the schools in England have become academies or free schools, 63 per cent of all secondary schools

were out of local authority control by this time. Whilst primary schools trail in number, the direction of travel was accelerated by the government White Paper of March 2016 which suggested it would be policy for all schools to become academies by 2020. Although the policy has been now been abandoned, partly because of the 2017 general election, the general feeling within the school system is that academisation is to be the most likely outcome for the majority of schools. In an allusion to mythology the 'genie is out of the bottle' and there is no going back.

Academisation and the move towards MATs

An emergent feature of the process of developing a school-led improvement process was the notion of 'system leadership' which manifested itself in several ways, the most common of which was the sharing of expertise from successful to struggling schools. Under the direction of the National College for School Leadership (NCSL), which was established by charter in 2000, school leaders with expertise were encouraged to work with others to improve the system overall. In some instances, this was achieved through the federation of schools, either formally or informally as 'soft' or 'hard' federations, but in other instances through the appointment of National Leaders of Education (NLEs) and Local Leaders of Education (LLEs). NLEs were typically headteachers of successful schools who were encouraged to provide consultancy services to other schools searching for improvement, whilst LLEs tended to be focused on certain aspects of learning support and curriculum development. The concept of federated schools also led to a new form of 'executive' headship which, in some cases, also saw the amalgamation of local governing bodies. Executive headteachers typically led more than one school and by 2015 there were over 600 such appointments to service nearly 1000 schools (Lord et al, 2016).

Following the general election of 2010, however, the direction of travel had shifted toward academisation, as described above. This process was eclectic and did not initially demonstrate any strategic policy implementation, instead allowing for variation seemingly based on the notion of 'liberating' schools from local authorities which were seen as restrictive, bureaucratic and paternalistic by the Secretary of State for Education. This policy seemed to be based on neo-liberal approaches to public service

which reduced the functions of the state and placed the emphasis on the end user as determinant of best practice. It was an ill-defined policy, however, which resulted in the atomisation of the national school system and featured complex examples of academies in operation. In some instances, for example, this led to academy chains, seemingly driven by avaricious trusts whose motives appeared to be aggrandisement; in other situations, individual schools sought the sanctuary of academisation rather than remain accountable to the local authority. There were also experiments, such as the creation of a trusts by independent schools to support struggling state funded schools, as well as the creation of free schools, studio schools and UTCs. The pattern appeared to be based on a notion of ‘anything goes’ so long as it frees schools from local authority control.

Within this regime academies were allowed to be joined together as a chain which, where they existed, varied in size and composition and could be loose, informal collaborations or a formal shared structure. A briefing note by a national union (Unison, 2015) describes three main models:

- the *collaborative partnership* – where there is no formalised governance structure and academies simply agree to work together;
- the *umbrella trust* model - where a group of individual academy trusts set up an overarching trust to provide shared governance and collaboration;
- the *multi-academy trust* model - where academies join together to become one legal entity governed by one trust and board of directors.

The model of *collaborative partnership* effectively built upon the concept of ‘soft’ federations where expertise and resources were shared, but with no changes to governance. An *umbrella trust* can contain academies and non-academy schools and is intended to improve the educational outcomes at the schools. In an umbrella trust, however, the employer of staff is usually the individual academy trust while in a *multi-academy trust* the employer is usually the company which leads the chain.

The multi-academy trust (MAT) became the preferred direction for a government which, by the time of the 2015 general election, had recognised that a system of control was needed by appointing eight regional school commissioners (RSCs) in September 2014 whose job it was to oversee academies, especially the development of new ones. In a briefing note issued by the Department for Education it was stated that:

RSCs, with the help of elected Head Teacher Boards, will approve applications for new academies and free schools, approve and monitor sponsor capacity. They will also take intervention action where either performance [or governance] is poor. (cited in Durbin et al, 2015: 3)

The appointment of RSCs thus signalled a policy shift from central government to the region, a move that was consolidated through the appointment of a National Schools Commissioner in early 2016, with the role being to hold the RSCs to account for their responsibilities and ensure consistency in decision making (DfE, 2016). The commissioners thus determine the policy regarding the structure and operation of academy trusts and currently favour the formation of MATs and it these groupings of academies that will be the subject of investigation in this enquiry. Umbrella trusts were not generally favoured, although Church of England diocesan boards of education are showing great interest in such approaches. The church has a memorandum of understanding with the DfE which stipulates that the diocese owns Church of England schools and has the first opportunity to show it can provide a solution if a school is struggling (NCTL, 2014: 47).

The status of church schools in England is unusual, but is a legacy to provision made before the introduction of universal basic education in the 19th Century and its extension into the 20th century. Prior to the 1944 Education Act the Church of England had controlled most rural primary schools and many urban ones as well. Since the government could not subsidise these schools directly without accusation of misuse of public funds a compromise was the government solution “was to trade influence for cash - public funding of church schools in return for majority local authority representation on governing bodies” (Jones 2003:18). The structural outcome was for the categorisation of church schools as voluntary 'aided', where the church had greater control, or 'controlled', where the local authority had greater control (Gillard, 2011). Similar conditions were granted to other faith schools, meaning the 1944 Act cemented the church schools into the state system of education. This is a situation which has not been addressed at government level and is thus sustained into the current century thus giving rise to the 'special' status of the Church of England present and future MATs.

Multi-academy trusts

Within MATs one academy trust is to be responsible for running two or more academies and will have a master funding agreement with a supplemental funding agreement for each academy. The MAT may include primary and secondary schools, which may choose to convert at different times, and can include also Free Schools, Studio Schools and UTCs. Within MATs the key features are:

- the Board of Directors has ultimate responsibility for running each academy and will deal with the strategic running of the MAT;
- the Board then typically delegates day-to-day running of each academy to a local governing body (LGB). The level of delegation can be different for each academy;
- funding is allocated on an individual academy basis;
- single employer, shared buying and sharing resources within the group.

The MAT will have a lead executive figure and typically will charge a management fee to each academy school to run common services, with a scheme of delegation for local governing bodies. The implications of the authority of the MAT regarding governance and staffing will be discussed more fully in the examination of the data we gathered for this investigation. The title of the lead executive most commonly found in our research was Chief Executive Officer (CEO), although sometimes the title of 'Executive Headteacher' remained where MATs were in the early stages of their formation. For the purposes of simplifying issues within this paper we will refer these people as CEOs.

The rise of multi-academy trusts

This scenario means the DfE and the National Schools Commission (NSC) are searching for synergies to ensure that the school system caters for areas of chronic underperformance, generally to be found in areas of poverty or in remote and coastal regions. The former strategy of 'system leadership', based on the development and allocation of National and Local Leaders of Education (NLEs and LLEs) linked amongst other things with identification of Teaching School Alliances, is now compromised by the growth of academy chains who have different objectives and a strategically focused plan of action for their trust. Already this is producing concern that some regions are not being able to develop their schools as would have been the case before the acceleration

to academisation and, furthermore, is identifying a new typology of schools 'no one wants' (SNOWS).

As of March, 2017 there were 1786 sponsor academies of which 857 were already multi-academy trusts in England, ranging from academy trusts of two schools to very large MATs that were well established (DfE, 2017). Figure 1 shows the size of multi-academy trusts in England.

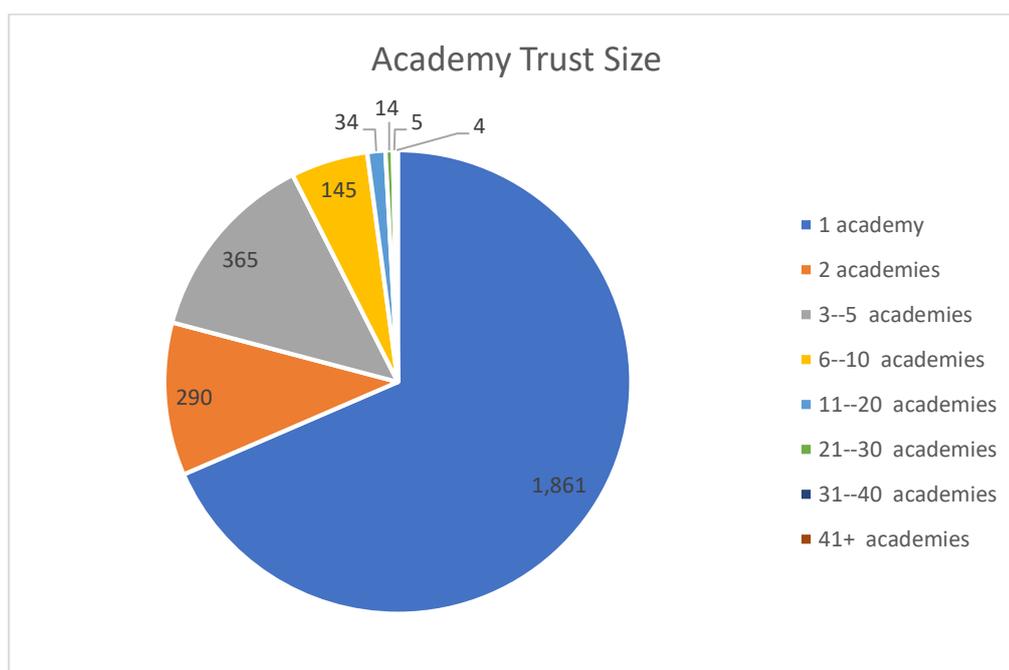


Figure 1: Number of academies in the trust as at March, 2017

In 2015 there had only been 12 MATs which had more than 20 academies by this time, of which the largest had 61. The majority of 'fledgling' MATs of 2011 had by that time grown to have between six and 20 academies, with most of the 105 MATs in this category falling under one of three headings (Hill, 2015):

- Long-established MATs that have chosen to grow at a slower more sustainable, rate;
- Newer academy groups which in some instances have grown quite quickly as groups of schools have converted together and in other cases the relatively rapid growth reflects the entrepreneurial nature of the MAT Board or CEO; and
- Diocesan Trusts which probably represents the largest and fastest growth in the MAT sector.

There is a suggestion that some of the MATs formed in the early stages were either predatory or formed for reasons that were expedient, rather than strategic. Hill refers to 'manic MATs', for example, where groups of schools rushed "to huddle together because they are frightened of being 'done to' or taken over by a 'predatory' MAT" (Hill, 2016). A change in government policy followed the general election of 2015 which longer required academisation left schools with the time to consider whether to become an academy and allowed the formation of MATs that could be based on shared values and voluntary membership. The school commissioners also outlined a desire for MATs to be geographically adjacent to ensure efficiency and effectiveness in the infrastructure.

The outcome, as can be seen from Table 1 (above), is that most MATs are emergent in nature with the clear majority having fewer than 10 member schools. It also suggests that most MATs are embryonic and, in some instances, still at the planning stage.

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