

City of Bradford Metropolitan District Council Academy Transfer Charging Policy

Introduction

Following a meeting of the Council's Executive Committee on the 11th October 2016, the Council has introduced a charging policy for schools that convert to academy status.

Whilst this is not a decision the Council has taken lightly it is the case that the current academy conversion process puts significant costs on the Council at a time when the Council is having to implement cuts across many services.

The charging policy document has now been agreed and will be implemented from the 1st January 2017 for all new academy conversions after that date. The Council will not charge for conversions which are already part-way through the conversion process and the Council is already in receipt of an Academy Order.

Please note that the timescales for transfer are indicative as each transfer is unique and often there are a number of factors which can complicate the conversion process. Once the transfer process begins a more informed estimated programme can be agreed.

An invoice will be raised to the school or Academy sponsor. Payment will be required prior to the legal documentation, such as, the 125 year lease or Commercial Transfer Agreement (CTA) being sealed/ signed by the Council.

Please do not hesitate to contact Darren Starkey or Ian Smart on 01274 437777 if you have any queries at this stage.

This policy applies to all schools converting to Academy status.

NON-PFI SCHOOLS

Fee Proposal:

- Community and Voluntary controlled Primary
 - Flat fee of £5,400
- Community and Voluntary controlled Secondary
 - Flat fee of £8,200
- Foundation, including Trust Schools (Primary and Secondary)
 - Flat fee (£2,500 to £3,500 to be determined by colleagues in legal) to reflect the reduced legal workload required as a result of the Trust holding the freehold of the school site
- Voluntary Aided Primary and Secondary schools
 - Flat fee of £2,500, this is to reflect the work required to prepare and agree a 125 year lease for the playing fields only which are owned by the Council.

Notes:

- Fees to be reviewable on an annual basis, and will be reduced or increased if there is a trend which shows that actual costs have changed
- Fees may also be reviewed on a case by case basis particularly with complex land issues or where the process is delayed by the Academy or a third party outside of the control of the Council. Where this causes duplication or repeated work the Council reserves the right to charge an additional fee.
- When the conversion date is postponed for a reason related to an act or omission of the Council, the Council will consider reducing or waiving its fees.

BSF Phase 1 and Phase 2 PFI SCHOOLS

Fee Proposal:

- Secondary PFI – Capped fee of £15,000 for internal legal fees plus full reimbursement of actual external third party costs (PFI funder/consortium/legal fees). As a guide the LEP and Funders legal fees have ranged between £15,000 and £30,000, but have occasionally exceeded this, so total fees could be in the region of £45,000.

Notes:

- The capped fee is to be reviewable on an annual basis and will be reduced or increased if there is a trend which shows that actual costs have changed.
- Should a school disregard the DfE's advice to accept the Council's commercial positions and wish to negotiate alternative positions which results in the Council incurring additional/increased costs, the Council reserves the right to charge an additional fee.
- Foundation status does not impact on the level of fees, on the basis that all of the PFI related conversion documentation still needs to be drafted and negotiated.

- Fees will be reviewed on a case by case basis particularly with complex land issues or where the process is delayed by the Academy or a third party outside of the control of the Council. Where this causes duplication or repeated work the Council reserves the right to charge an additional fee.
- The full cost of any subsequent changes to PFI Schools will fall to the academy or sponsor, for example a change in sponsor. The Council will estimate the cost of work that it is required to undertake for each change and advise all parties in advance.

Estimated Timescales and cost Breakdown

Estimated Average Timescales

As a guide the average time for completing all the transfer paperwork is:

- Community Primary - 14 weeks
- Community Secondary - 18 weeks
- Foundation School - 12 weeks
- Voluntary Aided school - 12 weeks