Thank you for your letter of 15 January 2018, following on from the committee’s session on multi-academy trusts (MATs) on 5 December 2017.

I would like to reassure the committee that the department takes MAT accountability and transparency of oversight very seriously. At the session in December the panel and I described the robust processes in place to hold MATs to account. This includes the publication of performance data at both school and trust level, Ofsted inspection of individual schools, along with batched inspections of schools within the same trust, and the requirement on all trusts to publish audited accounts each year.

Regional Schools Commissioners (RSCs) have oversight of the educational standards of trusts, drawing on evidence from Ofsted as the independent school inspectorate. The department continues to work closely with Ofsted on MAT accountability. The ESFA provide assurance that public funds are properly spent and intervene where there is evidence of mismanagement of public funds. When we met I reinforced that accountability for the educational standards and financial performance of a MAT are two sides of the same coin. The ESFA and department are working increasingly closely together and strengthening these links is one of my top priorities.

You have raised concerns about the transfer of assets between schools and trusts. As the committee has acknowledged, most academies are performing well and the MAT model has strengths that allow many trusts to play a valuable role in supporting school improvement. These strengths include the ability of trusts to centralise some functions – such as finance, human resources, business administration, procurement, and educational support – to achieve a more efficient and effective service for their schools. MATs remain accountable for the effectiveness of that expenditure, including any surpluses or deficits in individual school budgets.

Trusts are not able to retain any surplus at the point of dissolution; if a trust does wind-up in a surplus position, the department will work with the incoming trusts to agree a fair and equitable way of redistributing the funding. This
ensures schools transfer in a way that secures the financial future of each school and the education of their pupils. The accounts of all trusts are subject to external audit and all trusts are required to adhere to the requirements of the Academies Financial Handbook, company law, and charity law. In the specific case of Wakefield City Academies Trust (WCAT), the trust’s audited accounts were filed on time and are available for public scrutiny. The accounts received an unqualified audit opinion, which includes an expected reference to the planned closure of the trust. We have contracted a leading accountancy firm to provide further assurance to the department on the trust’s current financial position and support with an orderly closure. Within the scope of this work they have seen no evidence of financial wrongdoing.

It is important not only that trusts are accountable but that there is transparency about their oversight. We have recently taken significant steps to increase the availability and accessibility of information about MATs to parents and other interested parties.

On 25 January, the department published MAT educational performance data on the ‘School and College Performance tables’ website for the first time, https://www.gov.uk/school-performance-tables. These tables provide an accessible way for parents and others to see the educational performance of individual schools and trusts. The published performance data for trusts includes progress measures for reading, writing, and maths at key stage 2 and Progress 8, Ebacc entry, and Ebacc attainment measures at key stage 4. The same measures are also published at MAT level for disadvantaged pupils only.

Information on the governance of MATs is published on the ‘Get information about schools’ webpages, https://get-information-schools.service.gov.uk/. These webpages allow parents and others easily to identify whether a particular school is part of a MAT and lists the individuals responsible for the governance of trusts.

In July 2017, we published an improved ‘Schools Financial Benchmarking’ tool, https://schools-financial-benchmarking.service.gov.uk/. This tool provides extensive financial information on all state funded schools and trusts in England, including their expenditure, income, and in-year balance. It also allows users, including school staff and parents, to compare spending with similar institutions at school or trust level.

We recognise the scope for better join up between these sources of information, on a similar principle to the scorecard you suggest, and will look to improve the way these pages link to each other at MAT-level. I would like to thank the committee for its suggestion, which we will reflect on as we develop our approaches.

THEODORE AGNEW