



Academies: a myth-buster

We're often asked these questions about academies so here are some answers:

When a community school becomes an academy, the new academy trust takes on the legal title to the land from the council, doesn't it?

Wrong. When a community school becomes an academy, legal title is not transferred from the council to the academy trust. The freehold is retained by the council and a lease is granted to the trust.

OK – but the trust could just dispose of the land under its leasehold interest?

Wrong again: the land is subject to protection in law, as set out in the Academies Act 2010, and under the Secretary of State's powers in the Funding Agreement.

Oh right – but academy trusts are private companies and can make a profit.

That's not true either: all academy trusts are charitable trusts and they cannot make a profit.

Not that the public would ever know though – because academy trusts do not have to publish their accounts.

Yes they do – because the Government specifically requires academy trusts' accounts to be published online so that the information is publicly available. That is not the case for council-run schools so the level of transparency and scrutiny in academies' accounts are far greater.

There isn't much financial accountability around academies though, is there?

Wrong: the financial accountability systems in place for academies are more rigorous than those for local authority-run schools and they mean that not only do any problems get uncovered but also that there can be swift resolution of any issues. The spotlight of this accountability system demonstrates that academies cannot hide from their responsibilities and are held to account for their actions. There have been almost 200 detected cases of fraud in council-run schools.

But if there is a problem, academy trustees are not liable for losses.

They certainly can be held personally liable, if they have acted against the law or imprudently.

Thousands of schools have been forced to become academies against their will.

Actually, in only 13 cases – out of 1,025 sponsored academies – has the Secretary of State used his formal intervention powers to enable an under-performing council-run school to become an academy. Additionally, there are a number of cases where the Government has decided not to pursue academy solutions and agreed for a school to remain in the control of the local authority.