University Technical Colleges from 2014

How to apply

Contents

1. Things to know before you start

Vision

1.1 We want to improve our education system so that children thrive and prosper, whatever their background. By introducing increased competition, innovation and parental choice, we aim to raise standards across the school system.

1.2 We are inviting applications to establish University Technical Colleges (UTCs) that will provide high quality, technically oriented, education for 14-19 year olds. UTCs should encourage innovation and be driven by the vision and passion of those proposing the UTC.

1.3 This guidance is for people who would like to establish a UTC. If your proposal does not meet the model of a UTC, you may be interested in applying to set up a Studio School, mainstream Free School, 16–19 Free School, special Free School or an alternative provision Free School. For more information, you should refer to the relevant guidance available on the Department for Education's website.

What is a University Technical College?

1.4 UTCs are all-ability and mixed gender state funded schools, independent of local authorities. They are not extensions of or conversions from existing provision, but new 14-19 Academies, typically with 500-800 pupils. UTCs specialise in subjects that need modern, technical, industry-standard equipment, such as engineering and construction, and teach these disciplines alongside business skills and a broad, general education. Pupils integrate academic study with practical learning, studying core GCSEs alongside technical qualifications. The ethos and curriculum are designed with local and national employers who also provide support and work experience for pupils. UTCs are sponsored by a University, lead employer sponsor, other local employer partners and in some cases also by other educational providers with strengths in the UTC's specialist subject areas. UTCs should provide progression routes into higher education or further learning in work, including apprenticeships. Further information about the characteristics of a UTC can be obtained from the Baker Dearing Educational Trust (BDT) on their website.

1.5 The admissions policy of any UTC must be fair, open and transparent and be in accordance with the School Admissions Code. UTCs must be open to pupils of all abilities and faith (or non-faith) from the area and cannot be academically selective pre-16. UTCs are funded on a comparable basis to other state funded schools.

1.6 From the 2013/14 financial year, UTCs will be funded on new locally determined funding formulae in line with all other schools, as part of the wider reforms to school funding; they will continue to be funded directly by the Education Funding Agency (EFA).

University Technical Colleges: Law and policy

1.7 UTCs are new Academies and as such are independent schools to which the relevant Independent School Standards apply. The Education (Independent School Standards) (England) Regulations 2010 are available here[1].

1.8 Each UTC will enter into a contract with the Secretary of State. This contract, termed the 'funding agreement'[2], sets out the arrangements and standards by which the University Technical College must be run in order to receive funding from the Secretary of State. The current model UTC document is available on the Department for Education's website here[3].

1.9 You should be aware of the following key requirements of UTCs. UTCs are new state funded14-19 institutions that must:

- be sponsored by a university and employer, working with other local partners;

- specialise in 1 or 2 technical areas, to be taught alongside an academic curriculum;

- adopt fair practices and arrangements that are in accordance with the School Admissions Code, the School Admission Appeals Code and admissions law as it applies to maintained schools;

- collect performance data, publish results[4] and be subject to Ofsted inspection under the same framework that applies to all publicly funded schools;

- have regard to the Special Educational Needs Code of Practice. Please note the Special Educational Needs and Disability Green Paper consultation response, 'Progress and next steps'[5]; and

- provide a broad and balanced curriculum of the core subjects of English maths and science and technical specialism(s) and make provision for the teaching of religious education.

1.10 UTCs do not have to:

- follow the National Curriculum;

- employ teachers with Qualified Teacher Status[6]; or

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[1] The Independent School Standards are currently being revised (July 2012). Updated regulations may therefore be in force when your UTC opens.

[2] For simplicity we use 'funding agreement' throughout the application documents to refer to the formal legal agreement between the Academy Trust and the Secretary of State. In addition to the funding agreement, the law allows the Secretary of State to fund Academies (including UTCs) by payment of grant.

[3] The model funding agreement is currently being reviewed. A new version of the model document will be published in the autumn.

[4] As with secondary schools, this reporting currently (as at 2011) includes the proportion of Key Stage 4 pupils attaining 5 or more GCSEs at A*-C (or equivalent) including English and maths and English Baccalaureate results.

[5]'Progress and next steps' is available here.

[6] With the exception of a Special Educational Needs Coordinator and the UTC's designated lead for looked after children (note: certain head teachers may hold these roles without having QTS).

- comply with the provisions in the School Teachers' Pay and Conditions Document.

2. Getting started

Before you start

2.1 Applications are invited from groups that have identified evidence of employer, parent and student demand. Applicant groups must include a university and employer working in partnership. Other existing educational providers – such as an Academy Trust, further education college or training provider – may choose to work with universities and employers as well.

2.2 Setting up a UTC requires a lot of time, commitment and determination. Before you start your application, you should think about:
- the law and policy as they apply to UTCs;
- the potential demand in your area for a UTC and the particular specialism(s) you propose;
- potential sites for the UTC;
- the level of involvement from the group, local employers and a university;
- the relevant skills and experience you have to set up and run a UTC; and
- whether you need to access any additional expertise and how you might secure this.

2.3 The Baker Dearing Educational Trust (BDT) established the University Technical College model. Further information can be obtained on their website. BDT is the promoter of UTCs and is working with the Department for Education through the application process. Applicants are strongly encouraged to discuss their application with BDT, who will be able to offer advice and support.

Organising your group

2.4 Applicant groups will need to look at what needs to be done, both on a short term basis (submitting the full application and, if approved, preparing for the UTC to open) and long term basis (strategic running of the UTC as well as day-to-day management). The setting up of a UTC is a challenging task. It will require groups to organise themselves based on the skills, experience and time commitment of individual members so that the group is deployed and governed in the most effective way. Groups may be able to identify external organisations or individuals who are willing to provide them with support free of charge.

2.5 Each UTC must be underpinned by strong governance arrangements and established on a solid legal footing. Behind any UTC is a charitable company, referred to as an Academy Trust, constituted specifically for the purpose of establishing and running a UTC[7]. This must be set up as a company limited by guarantee to protect the members of the company by limiting their personal liabilities. The company limited by guarantee should be the body making the application.

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[7] This is a requirement under the Academies Act 2010.

Establishing a company

2.6 A company is made up of members and directors. **The members** of a company are its legal owners and have a strategic role in running the UTC and ultimate control over the company. When setting up your company you are required to have at least three founding members but you can have more. Your group will need to decide who the members of the company will be. The members appoint the directors of the company, and you will need to appoint at least one director to set up your company. This may be one of the members themselves.

2.7 **Directors** will be responsible for the day-to-day management and governance of the UTC. In other words your directors will be your governors of the UTC and where we refer to governors and governing bodies in this guidance, we are talking about your company directors.

2.8 Company members are not always directors, but will in some cases want to undertake both roles. It is important that a majority of the directors are not also members to ensure clear lines of accountability between the two.

2.9 You will also need to complete the relevant paperwork to establish your company limited by guarantee. As founding members you need to sign a legal document known as the memorandum of association. You also need to complete the articles of association, which set out the purpose of the company and the rules that govern it. UTCs should use the Department for Education's UTC model memorandum and articles of association which can be found here.

2.10 You then need to submit these completed documents, along with an application to register a company and the relevant fee, to Companies House. Further information on what you need to do to set up a company is available from Companies House here. Please note that we will ask to see your memorandum and articles of association at a later date.

2.11 The Department's model articles have been drafted to include a 'charitable object'. This means that a company limited by guarantee using these articles becomes a charity from the moment it is incorporated (i.e. when the company is registered with Companies House) as well as an Academy Trust. From that point on, its directors will then also be its **trustees**[8] for charity law purposes. Once your UTC opens (on the first day of term) your company will then become an 'exempt' charity, regulated by the Secretary of State for Education (as are all Academies). You should note that the Charity Commission is not at any point in the process the regulator for companies running UTCs (although it will acknowledge your company as a charity, because of its charitable object). For this reason you are not required to and should not register your company, or its directors/trustees, with the Charity Commission.

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[8] There is guidance issued by the Charity Commission on the role and duties of charity Trustees here.

2.12 The individuals behind any UTC application are crucial to its success. You will want to consider who forms your group and ensure that you are organised in an effective and appropriate way, with the right breadth and mix of skills.

2.13 All groups should have sound financial procedures and have the capacity to handle public money. For example, when spending public money you must consider the potential for conflicts of interest and have arrangements in place to deal with them appropriately[9]. This means that no Trust members should be involved in any decision over awarding a contract for the UTC if he or she, or any of his or her relatives, friends or business associates will benefit directly.

2.14 Individuals cannot be paid for simply being a Member or a Director (these are unpaid roles).

2.15 Although not generally considered good practice (because of the potential for conflicts of interest), there are some circumstances in which a company can employ and/or pay a member or director of the Trust to take on a different role in the UTC or to provide goods or services. Our model articles of association include provisions setting these out. If groups decide that they want to employ a member or director of the Trust, they will need to demonstrate through the application process how they will minimise and manage potential conflicts of interest, for example by describing and committing to fair and open recruitment processes. Our website provides guidance on procurement here.

2.16 Just as every UTC application will be different, the make-up of applicant groups will be different. Each group will want to ensure that it has the right employer and university engagement, skills and experience to deliver its vision. The Baker Dearing Educational Trust (BDT) will be able to advise you about the kinds of skills and expertise required.
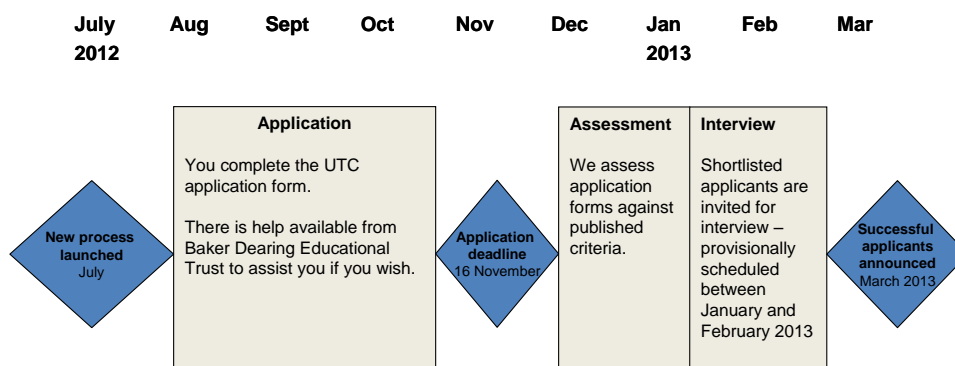
Suitability of applicants and applications

2.17 The Secretary of State will seek to ensure that only suitable persons are permitted to establish publicly funded University Technical Colleges. He will consider each application on its merits, and take into account all matters relevant to the application. He will reject any applications put forward by organisations which advocate violence or other illegal activities, or by individuals associated with such organisations. In order to be approved, applications will need to demonstrate that those who will act as members and governors, and the UTC itself, will ensure that principles are promoted which support fundamental British values, including: respect for the basis on which the law is made and applied in England; respect for democracy and support for participation in the democratic processes; support for equality of opportunity for all; support and respect for the liberties of all within the law; and respect for and tolerance of different faiths and religious and other beliefs.

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[9] The Charity Commission provides guidance on identifying and avoiding conflicts of interest here.

3. The application process explained

Application and Assessment Timeline

July 2012	Aug	Sept	Oct	Nov	Dec	Jan 2013	Feb	Mar

New process launched July

Application

You complete the UTC application form.

There is help available from Baker Dearing Educational Trust to assist you if you wish.

Application deadline 16 November

Assessment

We assess application forms against published criteria.

Interview

Shortlisted applicants are invited for interview – provisionally scheduled between January and February 2013

Successful applicants announced March 2013

What happens when

Preparing and submitting your application

3.1 Completed applications **must** be submitted to the Department for Education by 16 November 2012. Please note that any applications received after this time will not be considered. More detail about how to submit your application is provided in Chapter 7.

3.2 It is important that you read this guidance carefully before starting your application to make sure you understand what you need to do and the information that you must provide.

3.3 The Baker Dearing Educational Trust (BDT) receives funding from the Department for Education to help you prepare your application by providing you with advice, information and examples of good practice. We strongly recommend that you seek their help.

Assessment of your application

3.4 We will assess your application against the requirements and criteria set out in this guide. You must ensure that you provide all the information that we have asked for.

3.5 All applications will:

- be judged against the criteria set out in this guidance, other UTC applications and a range of contextual factors. **Chapter 4** provides further information about the assessment process; and

- be subject to due diligence checks.

Interviews

3.6 If your application is assessed as one of the strongest we will invite your group to an interview. Interviews are likely to take place between January and February 2013.

Decisions and pre-opening

3.7 We hope to let everyone know the outcome of their application, successful or otherwise, by the end of March 2013.

3.8 If the Secretary of State decides your application should progress to the pre-opening stage you will be provided with a dedicated point of contact from the Department for Education, along with support to help secure a site and open your UTC.

3.9 There will be a significant amount of work to complete between the approval of your application and your UTC opening. You should therefore be clear that members of your group are able to commit fully to the time necessary to do this. If you employ a principal designate, senior staff or project management support, you will need to oversee their work.

3.10 The Department will provide a project development grant to groups whose applications are approved to the next stage. This grant is to help cover everything that groups will need to buy up to the point that the UTC opens. This will include the cost of any project management and education support required and other costs such as recruiting and paying a principal designate. UTCs approved on 29 March 2012 will receive £300,000, which will supplement the pro-bono contributions and resources of the UTC sponsors. We will review these figures for UTCs opening in future years with a view to making efficiency savings.

3.11 Please note that approval of your application does not mean approval of every detail, including your financial plans. Approval may be conditional on amending certain aspects of your application.

3.12 Assuming you make good progress after your application is approved, the Secretary of State will then decide whether to enter into a funding agreement with you. Some applications have been approved after interview but failed to progress to the point where the funding agreement could be signed by the Secretary of State. That demonstrates how vitally important and challenging the pre-opening phase is.

Appeals

3.13 Decisions by the Secretary of State are final and there will be no formal appeals process.

4. How we assess applications

4.1 Your application will be assessed in the following ways:

- against the criteria set out in **Chapter 6** of this guidance;
- against other UTC applications; and
- against a range of contextual factors including value for money.

4.2. Applications will also be subject to due diligence and other checks.

4.3 In assessing all applications, we will take into account a wide set of contextual factors, including, but not limited to:

- overall cost;
- value for money;
- the Secretary of State's duty to consider equality issues[10] related to the proposed UTC;
- the standards of schools in the local area;
- the level of deprivation in the community that it will serve;
- the need for more school places in the area; and
- the recent track record, including on education and finance, of applicants who run existing provision.

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[10] Section 149 of the Equality Act 2010 here.

5. Preparing your application

5.1 A University Technical College application is made up of eight sections as follows:

- **Section A:** Applicant details and declaration
- **Section B:** Outline of the UTC
- **Section C:** Education vision
- **Section D:** Education plan
- **Section E:** Evidence of demand and marketing
- **Section F:** Capacity and capability
- **Section G:** Initial costs and financial viability
- **Section H:** Premises

5.2 Please read through all these sections before you begin, to avoid repetition from section to section.

5.3 In **sections A-H** we are asking you to tell us about you and the UTC you want to establish. We have provided a form for you to use for sections A and B, which is available here. Please answer all sections with particular regard to your proposed specialism(s).

5.4 In **Section G**, you should show how you will afford your plans to establish and run your school. You need to complete two spreadsheets (to be attached separately as Excel files in Appendix 4) to show the financial information and figures underpinning all your plans. You also need to give a narrative explanation within your application itself of the income you expect to receive and how this will be spent. The first financial plan should be developed on the basis that all the pupil places in your school will be filled. You will also need to complete a second financial plan to show how you would manage your budget and remain financially viable if you only recruit 80% of the planned pupil numbers. Both financial plans should be filled out using the same template, available here.

5.5 We also require appendices, as set out in the appropriate sections of this guidance. The full application should consist of:

- The Application – Sections A-H
- Appendix 1 – Letters of support
- Appendix 2 – Catchment area and travel plan
- Appendix 3 – CVs of key people
- Appendix 4 – Financial spreadsheets
- Appendix 5 – Site plan

5.6 You need to submit all of this information in order for your application to be assessed. **Chapter 6** provides further information on what we are looking for in

each section, how you should provide it and the criteria we will use to assess your application. **Chapter 7** provides further detail about how, when and where to submit your UTC application.

6. Assessment criteria

6.1 All sections of your application must be completed in order for it to be considered. We will use the criteria outlined in this chapter to assess your application. Under each criterion we have included a description of what you should include in your application. **Sections A** and **B** need to be completed for information purposes and therefore have no assessment criteria.

6.2 Sections C-H of your application should be no more than 20 pages long and structured in line with the criteria listed below. The annexes (as set out in 5.5) should be included with the application as one Word document (with the exception of the financial templates which should be submitted separately in Excel). The document should be formatted for printing on A4 paper, be completed in Arial font with a minimum font size of 12 and include page numbers. Please ensure that you include the name of your UTC in the file name for both your Word and Excel documents. Please do not include photographs, images and logos in your application (other than any illustrative maps/site plans in appendices 2 and 5). Your email, submitting your application, must be no more than 10MB in size.

6.3 If you plan to use policies from another school or education provider you must be transparent about that (cite your sources), and explain your rationale for doing so. If you do not and we subsequently discover you have sourced material from elsewhere, you may not receive any scores for that section of your application.

Section A: Applicant details and declaration

6.4 This section seeks basic information about your group, including the main contact details of the lead applicant and the company limited by guarantee that has been formed and registered with Companies House (also referred to as an 'Academy Trust'). It also seeks information on any related organisations that have links with the applicant group as well as information from applicants who are existing education providers.

6.5 As companies limited by guarantee, certain details will be publicly available on the Companies House website. However, the personal information you provide in **Section A** will be treated by the Department for Education in accordance with the Data Protection Act 1998.

Data protection

The personal data you provide us with will be used to consider your application to set up a UTC and will not be used for other purposes. For the purposes of the Data Protection Act, the Department for Education is the data controller for this personal information and for ensuring that it is processed in accordance with the terms of the Act. The Department for Education will hold all personal information you supply securely and will only make it available to those who need to see it

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as part of the UTC application process. All personal information supplied in these forms will only be retained for as long as it is needed for this process.

6.6 There are no assessment criteria for this section.

Section B: Outline of the UTC

6.7 This section seeks key details on the type of UTC that is being proposed, including its name, planned yearly intakes and the number of pupils when the UTC is at full capacity.

6.8 There are no assessment criteria for this section.

Section C: Education vision

6.9 The education vision should act as your executive summary and describe why you are setting up this particular UTC in this area, and its core features and ethos. This is your opportunity to tell us in your own words about the overarching vision for your UTC and how it informs your education plan. Your application should be coherent and consistent throughout and work together as a cohesive whole. You will need to demonstrate in later sections that the vision is both deliverable and affordable within the funding allocated to UTCs.

6.10 We will be using four criteria to assess this section of your application.

C1: Provide a clearly focused, coherent vision that underpins the application with a compelling rationale for establishing the UTC.

You must:

- set out clearly why you are seeking to establish your UTC. Please explain why you have selected the key features of your UTC, and the rationale for the proposed specialism(s), location and approach to teaching and learning;

- set out your aspirations for the achievement of individual pupils, and the UTC as a whole, and why these are appropriate;

- identify what will make your UTC distinctive in its vision and ethos and how this has informed the education plan, demonstrating your understanding of the distinctive characteristics of UTCs, including the role of the university, the role of local employers, the curriculum framework and other standards recommended by the Baker Dearing Educational Trust; and

- explain how the proposed specialism(s) and the employer and university engagement will be reflected in the curriculum.

C2: Outline a clear identity for the UTC, which utilises the expertise of the university sponsor(s).

You must:

- identify the role that you expect the university sponsor(s) to play in establishing the UTC both in the development phase prior to the UTC opening and in the longer term after the UTC is open (please provide letters of support from your sponsors, partners and other relevant organisations wherever possible, indicating the practical support being offered to the UTC as Appendix 1 to your application)

C3: Outline a clear identity for the UTC, which utilises the expertise of the employer sponsor(s).

You must:

- identify the role that you expect the employer sponsor(s) to play in establishing the UTC both in the development phase prior to the UTC opening and in the longer term (please provide letters of support from your sponsors, partners and other relevant organisations wherever possible, indicating the practical support being offered to the UTC as Appendix 1 to your application)

C4: Outline how the UTC will be separate from any of the sponsor organisations.

You must:

- explain how you will make the UTC a separate institution, with a separate and clear identity, from that of the sponsors' existing provision.

Section D: Education plan

6.11 This is the heart of your application. Your education plan must explain how your UTC will achieve its education vision, relating to your proposed specialism(s) throughout. The education plan must describe the structure of your UTC and the experience that pupils will have there. You must set out your aspirations for the technical curriculum, pupil achievement, and how the UTC will evaluate performance, both of individual pupils and the UTC as a whole.

6.12 As well as being achievable, your education plan must be affordable within the funding allocated to Free Schools. In setting out the plans you have for staffing the school, you should explain how this will be afforded and provide more detail on this in the financial plan, including in the income and expenditure assumptions, in the spreadsheet (see Section G). For example, if you have a low pupil-teacher ratio, you should explain the rationale for this and how it will be funded.

6.13 Please provide further information in your Appendix 2 – Catchment area and travel plan.

6.14 We will be using eight criteria to assess this part of your application (please note that D2 is divided into (a) and (b)).

D1: Explain the rationale for your proposed curriculum, how it reflects the needs of your anticipated pupil intake and your plans for their progression and transition.

You must:

- set out the rationale for your chosen curriculum, including the technical curriculum, and demonstrate how it meets the needs of the expected intake, whilst having an ambitious approach to meeting those needs;

- explain how the curriculum and its delivery will improve pupil outcomes on a range of measures; and

- set out clear plans for transition between phases of education and (if relevant) employment.

D2: Set out a broad and balanced curriculum and an appropriate focus on the technical specialism(s) of the UTC for (a) pre-16 pupils, and (b) post-16 pupils.

You must:

- describe the curriculum in some detail, setting out how it will be broad and balanced[11], and the range of qualifications which might be offered (if you intend to provide courses funded by bodies other than the Education Funding Agency, e.g. Apprenticeships and any HE courses, please include details);

- describe the specialism(s) of the UTC and how these will be integrated into the curriculum to be delivered (a) to 14-16 year old pupils and (b) to post-16 pupils;

- set out a curriculum model that shows what proportion of learning is given over to each subject or area of learning for each year group;

- describe how employers will be involved in the design and delivery of the curriculum;

- set out detailed expectations around the length of the UTC day, term and year. This should include the number and length of lessons each day in each key stage and your plans for extended hours, and should make a clear distinction between compulsory and optional activities; and

- explain how pupils will be organised, for example through year groups, tutor groups or other class structures and how this links with and supports the education vision.

In preparing your application, it is important to note that:

- a broad and balanced curriculum should include, but not be limited to, the core subjects of English, mathematics and science;

- good applications will specifically address how the curriculum and its delivery will improve pupil outcomes on a range of measures.

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[11] In order to be considered broadly based and balanced the curriculum must (a) promote the spiritual, moral, cultural, mental and physical development of pupils at the UTC and of society, and (b) prepare pupils at the UTC for the opportunities, responsibilities and experiences of later life.

D3: Show how your staffing structure will deliver the planned curriculum.

You must:

- set out plans showing an appropriate and phased build up of staff (where the UTC is increasing in size over time) in line with planned pupil numbers and financial resources;

- describe the final staffing structure, including input from employers where appropriate, and show how it is sufficient, affordable and appropriate to deliver the proposed specialism(s), education vision and plan;

- set out the structure of the senior leadership team, heads of department, teaching staff and any non-teaching support staff, as well as a clear description of their roles and responsibilities, both in the build up phase and when at full capacity; and

- set out which staff will be shared with the proposer/sponsors (where applicable) and how this enables you to benefit from economies of scale.

D4: Set out a clear strategy for ensuring that the needs of pupils with differing abilities are met.

You must:

- demonstrate an awareness of the varying needs of individual pupils and have an effective strategy meeting them, and for supporting those who need it and stretching the most able (gifted and talented pupils);

- show how you will use your proposed specialism(s), ICT, other agencies and sponsors' resources to support the learning and achievement of pupils with varying abilities and needs;

- describe the strategies you will use to overcome barriers to learning and achievement, such as having English as an additional language;

- set out your approach to supporting disabled pupils and pupils with special educational needs, including those with and without a statement of special educational needs, with particular regard to your proposed specialism(s); and

- set out how you will have regard to the Special Educational Needs Code of Practice[12].

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[12] Applicants should be aware that 'Progress and next steps' set out proposals designed to improve parental choice and access to educational provision for children and young people with special educational needs. UTCs opening in 2014 will be expected to abide by the legislative framework as it exists at that time.

D5: Tell us how your definitions and measures of success will deliver your vision for pupil achievement.

You must:

- outline the targets that are proposed, why these are suitable to measure the delivery of your education vision, and what your strategy will be to achieve these;

- describe the proposed success measures for individual pupils and for the whole institution, including teaching;

- explain how these success measures will be monitored, reviewed and reported, including your plans to develop pupil assessment and tracking systems; and

- explain how pupil progress will be reported to parents/carers, how their views will be gathered and how parents/carers will play an active role in improving their child's progress.

D6: Describe your admissions policy, confirming commitment to fair and transparent admissions practices.

You must:

- set out your admissions policy, including the criteria to be used to prioritise places if your UTC is oversubscribed. Your admissions policy must be in accordance with the School Admissions Code[13], the School Admissions Appeals Code and admissions law as it applies to maintained schools. It must be clearly linked to the delivery of your education vision;

- define the catchment area of the UTC (please provide relevant further information as Appendix 2 to your application); and

- explain any associated travel issues and how these will be managed, noting that there will be no specific additional funding from the Department for Education for transport costs. Please provide relevant further information as Appendix 2 to your application.

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[13] Applicants should note that a new version of the School Admissions Code was published in early 2012 and will be applicable to admissions from September 2013 onwards. The new code should be taken into account when preparing applications and is available here.

D7: Describe how your approach to behaviour management, pupil wellbeing and attendance will improve pupil outcomes.

You must:

- set out detailed strategies for promoting good behaviour and attendance;

- describe how you will promote pupil wellbeing, including through pastoral care and strategies for tackling bullying; and

- describe how these strategies are informed by your vision and linked to raising standards and education outcomes.

Section E: Evidence of demand and marketing

6.15 In this section we are looking for evidence of demand from employers, evidence that local young people would want to attend your UTC and evidence that parents would send their children to your UTC. As funding for UTCs is directly related to the number of pupils on roll (UTCs receive an amount per each pupil) this evidence will be crucial in proving your UTC can be financially viable. The more evidence you can provide to show you have demand for the number of pupil places you need to fill in the first two years of the UTC being open, the better. You must show that this demand is for your specific school and you must have engaged directly with the community you will be serving.

6.16 You must demonstrate strong and sustained demand for the UTC among (a) employers in the area and (b) parents and children in the catchment area. You should also demonstrate how you have engaged with the wider community, including other education providers, and considered the impact of the UTC on those providers. If possible, please demonstrate your engagement with local authorities, other local schools and FE providers.

6.17 We will be using three criteria to assess this part of your application.

E1: Provide evidence of demand from employers

You must:

- provide information that clearly shows demand for your UTC from employers on the basis of skills shortages. Tell us about any consultation that has taken place and, if referencing survey evidence, please tell us what questions were asked. We would expect these questions to be specific to your UTC and its proposed curriculum/specialism(s)/ethos. You may consider providing wider data and evidence about local need to add context to the data from your consultation/survey findings.

You must not:

- send in copies of individually completed survey forms or other consultation returns.

E2: Provide evidence of demand from pupils and parents

You must:

- provide quantitative data that clearly shows demand for your UTC from parents and prospective pupils. This section should outline evidence of the number of applications that you expect to receive for your first year of opening. Tell us about any consultation that has taken place and, when referencing survey evidence, please tell us what questions were asked. These questions should be specific to your UTC and its proposed curriculum/specialism(s)/ethos and directed at parents who could realistically

send their children to the UTC and students that could realistically attend. You may consider providing wider demographic data and evidence about local need in the area to add context to the data from your survey findings.

You must not:

- send in copies of individually completed survey forms or other consultation returns.

E3: Demonstrate how you intend to reach out to the wider community including, where relevant, young people from a range of backgrounds, faiths and abilities, and how you intend to reach out to the wide catchment your UTC is likely to have

You must:

- demonstrate how you have made and plan to make the UTC known and attractive to pupils of all backgrounds and abilities. This should include pupils from deprived or disadvantaged families;

- describe any plans you have for working with other schools, educational establishments or the wider community;

- show clearly how your approach has been or will be tailored to specific groups, including how you intend to make the UTC and its specialisms attractive to girls as well as boys;

- include details of any discussions you have had with local authorities about pupil admissions or any details you have gathered about the need for more school places and/or your proposed specialism(s) in the catchment area of your UTC; and

- set out a robust marketing strategy built on your education vision and plan, taking into account your proposed intake and the demand that you have already identified.

Section F: Capacity and capability

6.18 You must demonstrate to us that your group has the capacity and capability to set up and run a UTC, and has access to a university sponsor and a range of local employer sponsors. You must have access to appropriate educational, financial and other expertise either within your group or provided by external organisations or individuals. Please provide further information in your Appendix 3 – CVs of key people. If your application is approved, we will provide a project development grant to help you complete all the tasks in the run up to the school opening. This grant will be limited but may be used to buy in some additional expertise during the pre-opening stage.

6.19 Before submitting an application for a UTC, you **must** have established a company limited by guarantee with directors (who also act as governors and trustees) appropriately skilled to discharge their duties and willing to do so without payment. This is explained in more detail in **Chapter 2** of this guidance.

6.20 We will be using five criteria to assess this section of your application. In addressing the criteria, it may be helpful to begin by giving an overview of the members and directors of your company limited by guarantee, as well as the key individuals on your steering group, to put the more detailed information required in F1-F4 in to context.

6.21 In providing responses to criteria F2, F3 and F4 set out below, it is important to note that:

- Expertise could come from within your group[14]; through forming a voluntary partnership with an organisation or individual(s) with a successful educational track record who can provide support free of charge; by directly employing people to the Trust; or by appointing a third party through an open and competitive tender process. There is no guarantee that your application will be successful. You **must not** enter into any contracts in the expectation of public funds. Any contractual arrangements you are considering will need to be affordable from your project development funding. If you have been assisted in writing your application by any individuals or organisations who are not part of your Trust, you should explain how you will secure such support if you are approved; and

- Anyone spending public funds must comply with a number of legal requirements and UK Government regulations. These require that all potential suppliers are given a fair opportunity to seek your business and make competitive offers. Therefore, there can be **no guarantee** that organisations or individuals offering support in the preparation of applications will be offered contracts to continue providing such support should the application be approved.

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[14] Whilst it is not essential to have this expertise within the group already, applications will score more highly if this is the case.

F1: Demonstrate a clear understanding of, and describe, the respective roles of the company members, governing body, and principal in running your UTC.

You must:

- clearly describe in both writing **and** in a diagram the structure, lines of accountability and methods of escalation between the company members, the UTC's directors (who also act as governors and trustees) and the principal;

- clearly define and set out the respective roles and responsibilities of the company members, the directors (who also act as governors and trustees), any proposed committees, and the principal; and

- set out your protocols for avoiding and minimising conflicts of interest, confirming any you have already identified, and for securing independent challenge.

F2: Show how you will access appropriate and sufficient educational expertise to deliver your vision.

You must:

- show that you have identified the educational resources, people and skills that you will need to set up and operate the UTC;

- confirm sufficient time commitments to the project from relevant individuals, employers and university sponsors; and

- set out your clear and detailed plans for identifying and securing any necessary educational expertise currently missing from your group.

F3: Show how you will access appropriate and sufficient financial expertise to manage your UTC's budget.

You must:

- show that you have identified the resources, people and skills that you will need to set up the arrangements for and undertake the financial management of a UTC;

- confirm sufficient time commitments to the project from relevant individuals, companies and organisations; and

- set out your clear and detailed plans for identifying and securing any necessary financial expertise, including an understanding of school budgets, currently missing from your group.

F4: Show how you will access other relevant expertise to manage the opening and operation of your UTC.

You must:

- provide details of your group, including the members of the company, who have relevant expertise and experience in addition to finances and education;

- show that your group has identified other relevant expertise, such as individuals or organisations with successful experience of setting up a new organisation or business, school governance, human resources, ICT, property/construction, marketing, and project management;

- set out clear time commitments to the project from the relevant individuals;

- explain how work on this UTC will be balanced against the development of other schools if your group is seeking to establish more than one new school; and

- set out clear and detailed plans for identifying and securing any necessary expertise currently missing from your group.

F5: Provide realistic plans for recruiting a high quality principal designate, other staff and governors in accordance with your proposed staffing structure and education plans.

You must:

- set out plans for recruiting your UTC's principal (head teacher) and the role you envisage him/her playing in the pre-opening phase;

- provide the CV of your preferred principal designate, if you have already identified one, along with evidence of their ability to deliver your education vision and plan and lead your proposed school;

- set out your plans for recruiting and developing high quality members of staff;

- tell us about any individuals you have already identified as prospective governors and their relevant skills and expertise; and

- describe how you will identify and appoint committed governors with the necessary skills needed to successfully oversee both the establishment and running of a UTC.

In preparing your application, it is important to note that:

- where you have already identified a preferred principal designate, we may require that person to be assessed to help inform the decision to appoint; and

- if your application is approved, you will – subject to our agreement – be able to appoint a principal designate in advance of the school's opening date[15].

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[15] The salary will need to come from your project development grant or be funded via financial contributions from your sponsors.

Section G: Initial costs and financial viability

6.22 In this section, you should show how your school will be afforded, in its first years and beyond, by explaining what income you will receive and how you plan to spend it. The financial information and explanations should underpin the rest of the application.

6.23 We want to understand two things from this section – if your UTC is financially viable within the funding available; and if your group has the necessary financial competence to establish and run a publicly funded school. We expect you to show how you have kept costs as low as possible.

6.24 Please note that approval of your application does not mean approval of all the funding requested. The amounts suggested by this template should be treated as indicative only. They do not represent the actual funding a UTC would receive if approved, and post-opening funding levels may decrease. We understand that in most cases it will not be possible to be precise about all actual costs at this stage, but you should use the information available and evidence your assumptions with benchmarking data.

6.25 In developing your plans you should remember that the UTC Trust will be accountable for the money you receive and how it is spent. You should demonstrate that planned expenditure can be justified and represents the best possible value for money. For example, you may wish to show how you have minimised the cost of establishing your proposed UTC. One way of doing this would be to show that your proposed spend is lower than existing benchmarks for similar schools. The financial operation of UTCs is governed by the [Academies Financial Handbook](#).

Preparing your financial plans

6.26 Before you begin to develop your finance plans, you should read the overview of school funding in Annex A which explains the different types of funding available. You may also need to refer to the glossary of terms at Annex B.

6.27 You should ensure that you:

- Explain the affordability of your specific plans, making sure the information you provide in Section G and in your financial plans are consistent with the information provided in the rest of your application;

- Include an overview explanation in Section G of your application form of how you developed your financial plans and the thinking behind them. As part of this, you should explain how you have kept costs as low as possible, and describe how your financial plans support delivery of your education vision and plan. You should also explain in the spreadsheet the assumptions you based your plan on, and the reasons/evidence you have to show that these assumptions are realistic;

- Complete a financial plan showing income and planned expenditure and include the assumptions made about income and expenditure on the two assumptions tabs on the spreadsheet. The financial plan template is available here; and

- Completed a second financial plan (using the same template) on the basis that you are only able to recruit 80% of your planned numbers. You will need to revise the explanations of income and expenditure assumptions as well. We ask for this to see how resilient the school will be in the event pupil numbers do not reach capacity as quickly as planned. You should show how you would use the reduced levels of funding and what changes to your plans you would make. You should not simply increase the percentage of children on free school meals or the amount of third party income to compensate for the reduction in per-pupil funding.

Key points to remember when preparing the financial plans

6.28 You should read and consider the following points before preparing your financial plans:

- Your financial plans should cover the period from when a school opens until the school reaches full capacity in terms of pupil numbers;

- In both financial plans, your income must always exceed your expenditure, taking post-opening grant and reserves you have built up in prior years into account;

- The plans should not be predicated on your school being able to borrow money;

- The information in the financial plans should be consistent with the rest of the application;

- Cost estimates should be realistic and based on evidenced assumptions and any available benchmarking data. DfE provides some data which is available here and the 2010-11 Academies Spend Data is available here;

- Use best estimates where there are uncertainties but always provide an explanation of how you have arrived at the figures;

- Any income you are expecting to receive from sources other than the Department for Education must be realistic with robust evidence provided;

- Do not carry over excessive balances of money from one year to the next (we would normally consider this to be anything over 12% of income);

- You do not need to include income or expenditure relating to capital – i.e. the cost to purchase or rent your school building. You should, however, include information on building maintenance costs; and

- You should not make any provision for inflation in your forecasts included in this template. However, if you identify costs that may increase ahead of inflation, such as staff pay progression, you may identify these separately in the pay or non-pay costs worksheets as appropriate.

6.29 Both completed financial plans must be submitted alongside your main application **as electronic Excel files and in hard copy**.

6.30 We will be using three criteria to assess applications for initial costs and financial viability.

G1: Provide accurate financial plans that are consistent with the rest of your application and based on realistic assumptions about income and expenditure.

You must:

- make sure that the information in your financial plans is consistent with the other parts of your application e.g. the staffing structure and pupil numbers in the education plan should agree with the financial plans. Pupil numbers should be consistent throughout;

- outline your assumptions in estimating the income and expenditure for the school and confirm which benchmarking data you have used;

- explain any unusual items of income and expenditure in the financial plans;

- show that you have allowed for unforeseen contingencies; and

- demonstrate that any third party income you have included is realistic and achievable.

G2: Show how the UTC will be viable by operating within the expected levels of funding available both during the post-opening period and when there are pupils in each year.

You must:

- show in **both financial plans** that income, including the post-opening grant, would exceed expenditure for each year up to and including the first year in which you have pupils in each year (the 'post-opening' period);

- demonstrate how you have minimised the need for any post-opening grant, particularly staffing diseconomy funding[16]. For example, where the school is building up year group by year group we would normally expect

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[16] See **Annex A** for more on staffing diseconomy funding.

principals to do some teaching, and for support staff to fulfil multiple roles; and

- Ensure that any projected surpluses of income over expenditure are not excessive (anything over 12% of income).

G3: Show how the UTC will be financially resilient to reductions in income.

In your second financial plan you must:

- show how you would reduce your spending to less than your income if you were not able to achieve the levels of income you assumed in your first financial plan. You must show how you would do this whilst still delivering high quality education in line with your stated education vision and plan; and

- show how you would manage if only 80% of pupil places were filled in each year.

You should not increase the percentage of children on free school meals or the amount of third party income to compensate for the reduction in per-pupil funding.

Section H: Premises

6.31 Finding a suitable site is an essential part of opening a UTC. As part of preparing your application you should investigate potential sites for your UTC. In your application we would like you to tell us about the sites you have identified. Please provide further information as Appendix 5 – Site plan.

6.32 We would like to know where you would prefer your UTC to be. However, not having a preferred site at this stage will not affect your application. If your application is taken forward to the interview stage of the application process, your preferred sites may be visited by the Education Funding Agency (EFA). EFA, which is part of the Department for Education, will assist in finding and securing UTC sites. It will assess the sites it visits for their suitability, availability, and the likely cost and duration of work required.

6.33 We will also make an overall cost and value for money assessment of your proposed site options. You should therefore aim for the lowest possible capital cost. Successful applicants will be provided with help to secure a suitable site for their UTC. Advice and guidance on how to find potential sites, as part of developing your application, is available from EFA by contacting them by e-mail.

6.34 You should make enquiries as to whether your proposed sites are available for acquisition or leasehold but you **must not** enter into any negotiations at this or any other stage on the expectation of funding from the Department for Education. If your application is approved, the EFA will undertake negotiations on our behalf to acquire a site for your UTC.

6.35 Where premises proposed involve the granting of a lease, it is expected that the length of the lease will offer stability to the UTC, its staff and students, and represent good value for money. Your application should be clear what the cost of the lease will be, and what this cost is intended to cover.

6.36 It is also expected that any lease charges for non-commercial premises should be for a peppercorn rent with no premium payable. Where this is not so or where private sector premises are proposed, it should be clearly identified in the application with a short accompanying explanation.

6.37 Any capital requirements should be clearly identified as upfront costs in applications (this covers all building work and ICT equipment not covered by the start-up grant). Capital requirements must be declared fully in your application.

6.38 **Please note** that if it proves impossible to identify a feasible site, we may not be able to approve your application for opening in 2014, simply because of the time available to prepare the site for the opening. If this is the case, EFA will help you with your search for a site and we may consider working with you towards opening in 2015 or beyond.

Information required on your site options

6.39 Although this section of your application will not be assessed against any specific criteria, you should provide us with the information requested below.

6.40 **Possible site options** – describe the steps you have taken to search for suitable sites and what sites (if any) are available in the local area.

6.41 Details of your preferred sites – for each of your preferred sites, explain if possible:

- your reasons for choosing it;
- the address and postcode of the proposed site;
- is current use;
- the current freeholder of the proposed site;
- a brief description of the site including size (in square metres) along with your proposed pupil numbers;
- its availability and the nature of the tenure; and
- why you think it is suitable for your UTC and how it will support delivery of your education vision.

6.42 **Capital investment** – detail any sources of funding available to you to support site acquisition.

UTCs in public and government buildings

6.43 When looking for potential sites we encourage you to consider surplus or under-utilised government and other public buildings. These can offer cost-effective solutions. A wide range of public buildings could provide suitable accommodation for a UTC, including:

- offices;
- courts and police stations;
- clinics, health centres, day centres and hospitals;
- care facilities;
- training centres;
- Territorial Army facilities and barracks;
- depots;
- former churches; and
- ambulance stations and fire control centres.

6.44 We would welcome applications to establish UTCs in under-utilised Government buildings. Information about available sites can be found via our website. They currently include a Department for Education building, Castle View House in Runcorn, where there is potential to share the site with us.

6.45 If you are interested in any of these properties please contact the Education Funding Agency by email. Education Funding Agency will provide you with further detail about these sites and will be able to advise you on how they might match your education vision.

6.46 To find more information on other provision in your area and the best location for your UTC please click here.

7. Submitting your application

How, where and when to submit

7.1 Please submit all the written information and two financial plans **by 5pm on 16 November 2012**. Applications received after the deadline will not be considered. You need to submit **one copy by email** to utc.applications@education.gsi.gov.uk and two hard copies by 'Recorded Signed For' delivery to:

> UTCs Applications Team
> Department for Education
> 3rd Floor
> Sanctuary Buildings
> Great Smith Street
> London SW1P 3BT

7.2 It is essential that the hard copies you provide are identical to the electronic version you email. Your application should be formatted for printing on A4 paper, be completed in Arial font with a minimum font size of 12 and include page numbers. Your application should not exceed 20 pages (sections C-H, excluding appendices). Your application should be submitted as one Word document (with the exception of the financial templates which should be submitted separately in Excel). Please ensure that you include the name of your school in the file name for both your Word and Excel documents. Please do not include photographs, images and logos in your application (other than any illustrative maps/site plans in appendices 2 and 5). Your email must be no more than 10MB in size.

7.3 Please remember that we must receive all of the documents that make up your application **by 5pm on 16 November 2012** in order for them to be considered[17]. You may find it helpful to use the checklist in **Annex C** of this document to ensure that you have provided all the information we need to assess your application.

7.4 The full application should consist of:
- The Application
- Appendix 1 – Letters of support
- Appendix 2 – Catchment area and travel plan
- Appendix 3 – CVs of key people
- Appendix 4 – Financial spreadsheets
- Appendix 5 – Site plan

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[17] Applicants should not submit additional supporting material after this date, although the Department for Education reserves the right to request additional information if deemed necessary.

8. Support for applicants

Useful contacts

8.1 Please find below contact details of organisations that are able to offer support:

- The Baker Dearing Educational Trust (BDT) established the University Technical College model. Further information can be obtained on their website at www.utcolleges.org. BDT is the promoter of UTCs and is working with the Department for Education throughout this application process. Applicants are strongly encouraged to discuss their application with BDT, who will be able to offer advice and support.

- If you want to explore the best possible location for your UTC then support is available from the School Kit online tool developed by EFA.

- Advice and guidance on how to find potential UTC sites, as part of developing your application, is available from EFA by contacting them by e-mail.

- If you have any technical problems with this guidance, our website or any of the forms, please call us on 0370 000 2288 or visit our website.

Further information and key documents

8.2 There are a range of websites and documents that you may find useful when writing your UTC application, including:

UTCs 'How to Apply' guidance and financial templates:
http://www.education.gov.uk/schools/leadership/typesofschools/technical/a00198986/utc-application

Frequently Asked Questions about UTCs:
http://www.education.gov.uk/schools/leadership/typesofschools/technical/a00198986/utc-application

Model UTC funding agreement:
http://www.education.gov.uk/schools/leadership/typesofschools/technical/a00200203/funding-agreement

Model UTC memorandum and articles of association:
http://www.education.gov.uk/schools/leadership/typesofschools/technical/a00200203/funding-agreement

Academies Financial Handbook:
https://www.education.gov.uk/publications/standard/publicationDetail/Page1/DFES-10010-2006

The Department is currently revising the Academies Financial Handbook. A revised version will be published on the Department's website in due course.

Academies Spend Data 2010-11 (for examples of Academy finances):
http://www.education.gov.uk/schools/performance/academies.html

Behaviour and exclusions policy and guidance:
http://www.education.gov.uk/schools/pupilsupport/behaviour/behaviourpolicies

Charity Commission guidance:
http://www.charitycommission.gov.uk/publications/cc3.aspx

Companies House: http://www.companieshouse.gov.uk/

Department for Education Procurement Guidance:
http://www.education.gov.uk/freeschools/b0073235/procurement-guidance-for-free-schools/

Education Funding Agency (Capital):
http://www.education.gov.uk/aboutdfe/executiveagencies/b00199952/the-education-funding-agency/efa-capital

Education Funding Agency (Revenue):
http://www.education.gov.uk/aboutdfe/executiveagencies/b00199952/the-education-funding-agency/efa-academies

Equality Act 2010: http://www.legislation.gov.uk/ukpga/2010/15/contents
http://education.gov.uk/aboutdfe/policiesandprocedures/equalityanddiversity/a0064570/the-equality-act-2010

Free Schools Indicative Budget Allocation Calculator: This ready reckoner is based on information relating to the 2012/13 academic year and provides **illustrative information only**. It does not reflect the actual funding schools will receive from 2014/15 onwards.
http://media.education.gov.uk/assets/files/xls/m/mainstream%20free%20schools%20ready%20reckoner%20tool.xls
A ready reckoner tool for 16-19 funding for 2012/13 is also available:
http://media.education.gov.uk/assets/files/xls/1/16-19%20free%20schools%20ready%20reckoner%20tool.xls

Governance Guidance: www.education.gov.uk/schools/leadership/governance

School Admissions Code: a new version of the School Admissions Code was published in early 2012 and will be applicable to admissions from September 2013 onwards. The new code should be taken into account when preparing applications and is available at:
http://www.education.gov.uk/schools/adminandfinance/schooladmissions/a00195/current-codes-and-regulations

Schools benchmarking website (for examples of maintained school finances): https://sfb.teachernet.gov.uk/Login.aspx

Seven Principles of Public Life:
http://www.public-standards.gov.uk/About/The_7_Principles.html

Special Education Needs Code of Practice:
https://www.education.gov.uk/publications/standard/publicationDetail/Page1/DfES%200581%202001#downloadableparts

Special Educational Needs 'Progress and Next Steps' Document:
https://www.education.gov.uk/publications/standard/AllPublications/Page4/DFE-00046-2012

Annex A: School Funding Overview

Project development funding

We will provide a project development grant to groups whose applications are approved to the next stage. This grant is to help cover everything that groups will need to buy up to the point that the school opens. It will include the cost of project management and education support, and other costs such as recruiting and paying a principal designate. The amount of funding depends on the type of school. UTCs approved on 29 May 2012 will receive £300,000. We will review these figures for UTCs opening in future years with a view to making efficiency savings but this should give you a starting point for your planning.

Principles of school funding

Funding is currently allocated to schools on a per pupil basis. The more pupils you have, the more funding you get. This is why having evidence of demand for your school is so important. If your school does not have enough pupils it will be very difficult for you to pay for staff and the upkeep of your UTC building.

Review of school funding

The approach to and levels of funding for all schools, including UTCs, is changing. We have recently announced that is it moving, from April 2013, to a system for all schools based on a simplified local funding formula. The final funding that schools will receive from 2013/14 onwards has therefore not yet been agreed. The information set out below and in the financial template is based on the UTC funding figures and approach used in 2012/13. This will change; therefore the information set out below and in the template is illustrative only. No guarantee can be given at this point about the approach that will be used and the levels of funding that will be received from 2013/14 onwards. If your application is approved, you will be expected to revise your budgets as your plans develop during the pre-opening stage, including to reflect the 2014-15 funding information when it becomes available.

Free Schools, UTCs and Studio Schools will be funded on the local funding formula for the relevant local authority, in line with all other schools. We intend to protect Academy and maintained school budgets up to 2014-15 by using a per-pupil minimum funding guarantee (MFG). This mechanism limits the maximum amount by which a school's budget can reduce compared to the previous year and has most recently been set at -1.5%

Free Schools, UTCs and Studio Schools opening in 2014/15 will plan on the basis of a 'ready reckoner' provided by the Department which will reflect the 2013/14 local formulae with a protection of minus 1.5% on a like-for-like basis. We expect that this 'ready reckoner' will be available in early 2013.

The Department has recently published a consultation on the future

arrangements for LACSEG (Local Authority Central Spend Equivalent Grant). This grant is payable to Academies and Free Schools and provides funding to these schools in respect of services such as HR and financial management, education welfare services etc. These are services which maintained schools receive from the local authority free of charge. The consultation proposes that from 2013/14 that this grant will be paid on a nationally based per pupil rate. The rate is expected to be determined by the end of 2012, in the light of the outcome of the consultation, and it will be incorporated into the revised 'ready reckoner'.

Post-opening funding (previously called start-up funding)

Post-opening funding (previously named 'start-up funding') is intended to bridge the gap between a school opening and reaching full capacity in terms of pupil numbers. It should enable a new school to cover essential costs when a school first opens, such as employing a principal and buying books and equipment, where these costs could not otherwise be met by the per pupil funding.

There are currently two main types of post-opening funding:

- a per pupil payment for non-staff costs; and
- a staff diseconomies payment to support staffing costs before a school reaches full expected student number capacity.

Non-staff post-opening funding for books, materials and equipment is based on a standard formula and will be the same for all UTCs depending on the number of pupils. It is set at £500 per pupil. This includes funding for books, materials, equipment, training and recruitment costs after you have opened. These elements will automatically appear in the financial template once you have entered pupil numbers.

Staff post-opening funding for UTCs is worked out on a school by school basis and is designed to help meet the costs of employing senior staff as the school grows to full capacity. The amount of funding currently depends on the way year groups build up and which senior staff are essential for schools to operate.

The staffing diseconomy lines of the spreadsheet are blank for you to complete. You will need to estimate how much diseconomy funding your school may need while building up year groups. As a guide, a school which has 600 pupils and is starting with 300 pupils will have 50% of its pupils in the first year, so might expect diseconomy funding to cover up to 50% of the principal's salary in the first year. Diseconomy funding should only be used to help cover the salary costs of the minimum **essential** posts. We would normally expect schools to claim for a maximum of four posts within diseconomy funding, however this figure will need to be thoroughly justified.

The arrangements for the post-opening grant will be reviewed next year – both the level of funding and the way it is calculated and assessed. The level of post-opening funding generated by the financial template, therefore, **should be**

treated as indicative only as it may be subject to change before being agreed with the Department.

Annex B: Glossary of terms

Academies Financial Handbook – contains instructions for Academies regarding their funding and obligations towards accounting and reporting.

Academy – publicly funded independent educational institution free from local authority control. UTCs are legally Academies. Other freedoms include setting their own pay and conditions for staff, freedom from following the National Curriculum and the ability to change the lengths of their terms and school days.

Academy Trust - a charitable company limited by guarantee which operates a UTC. See 'company limited by guarantee' for further information.

Articles of association - set out the purpose, composition and operating arrangements of the company limited by guarantee (the Academy Trust).

Cash flow – the pattern of spending in each month and the corresponding amount of income required.

Catchment area – the geographical area which you intend your school to serve.

Collective worship – all schools must provide a daily act of collective worship. For schools that do not have a religious designation, daily acts of collective worship should be of a broadly Christian nature.

Company limited by guarantee - a private company, where the liabilities of its members are limited, in the case of Academy Trusts to £10. This is the type of company that will most often be used for non-profit organisations. As a legal entity in its own right a company limited by guarantee can take out agreements and contracts in the name of the company rather than the name of individual members.

Devolved formula capital – funding for the maintenance and repairs of school buildings. UTCs will not receive this funding in their first year.

Directors – are appointed by the members of a company to form a governing body and oversee the day-to-day management of the school. All individuals on the governing body must be formally appointed as directors of the company and registered with Companies House. It is possible for an individual to be a member and a director but we would expect most directors of the company not to be members. The directors will be the trustees of the charitable company.

Due diligence - is an umbrella term for checks that may be made on those applying to establish a UTC. The checks enable us to ensure that only suitable individuals/organisations are able to set up and run a UTC.

Education Funding Agency (EFA) – the EFA (formed from the Young

People's Learning Agency and Partnerships for Schools in April 2012) is part of the Department for Education. It currently funds all Academies and also funds other training for 16-19s. It provides revenue funding for the courses schools normally offer – a full list is available [here](). UTCs may also want to offer Apprenticeships or Higher Education courses such as HNCs, which are not funded by the EFA, and can do so with DfE's approval. Your project would then need to secure permission and revenue funding from the appropriate bodies, and comply with relevant monitoring regimes.
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English Baccalaureate - where pupils have secured a C grade or better in all of English, mathematics, history or geography, the sciences and a language

Equivalence – the principle that UTCs will receive funding which is equivalent to the funding they would receive as an Academy or maintained school in the same local authority area.

Escalation (methods of) – the approach to and level of responsibility at which particular issues will be resolved when setting up and running the school.

Ethos – the distinctive vision, values and principles that inform the way a school is run.

Financial viability – whether a UTC can survive in financial terms in the long-term. UTCs must be able to balance their budgets. This means spending less than their income. In the post-opening period, income is currently per pupil funding plus an additional post-opening grant. When schools reach steady state, their income will be per pupil funding only.

Founding members of the company – these are the people that establish the company and sign the memorandum of association that is submitted (with the company's articles of association) when registering the company with Companies House. Further members may subsequently be appointed.

Free School Meals (FSM). Whether children are, or have ever been, eligible for free school meals is frequently used as an indicator of deprivation, and is often used as a qualifier for calculating funding targeted at deprived students/areas/schools.

Full time equivalent (FTE) – this represents the total pupil load as if all pupils are full-time, counting part-time normally as 0.5. So for example if the school will have 100 full-time pupils and 30 part-time younger pupils the FTE total would be 115. This is also relevant to staffing.

Funding agreement – a legally binding contract between the Academy Trust and the Secretary of State that sets out the conditions and requirements upon which the Academy Trust is funded.

General Annual Grant (GAG) – otherwise known as 'per-pupil funding', this is an Academy's annual expected funding. Schools are expected to cover all their

running costs out of their GAG.

Governors – see definition for 'Directors' above.

Governing body – the body appointed by the members of the Academy Trust to oversee the day-to-day management of the school and hold the senior management team to account. The governing body must be constituted in accordance with the Academy Trust's Articles of Association. Governors must be registered as directors of the company with Companies House.

Grant funding – a method of giving funds for a specific purpose and/or a limited amount of time.

Information and Communication Technology (ICT) - this includes telephony, computer equipment and operating systems for the running of the school. It also covers the use of ICT in the curriculum as a subject and to support teaching and learning.

Indicative funding – gives a school an estimated funding quote for the forthcoming academic year. It is based on the average local authority funding for maintained schools and the expected number of pupils on roll at that school in the relevant year.

LACSEG – Local authority central spend equivalent grant is additional money to cover the cost of education services that the local authority provides to its maintained schools but which academies, Free Schools, UTCs and Studio Schools are free to secure independently.

Looked After Children – children who are in the care of the local authority.

Local Government Pension Scheme (LGPS) - a nationwide public sector pension scheme administered locally for participating employers through 99 regional pension funds. UTCs must offer this scheme to all their non-teaching staff.

Members (of the company) – the company's legal owners. They play a strategic role in running the school, are responsible for appointing directors of the UTC (the 'governing body') and have ultimate control over the company.

Memorandum of association – contains the names of the individuals who are forming the company (the company's founding members). It indicates their willingness to become a member of the company under the Companies Act 2006.

Pedagogy – different styles and approaches to teaching.

Post-opening grant – previously called 'start-up funding', this is additional funding currently available when schools are first set up (and before there is a full cohort of pupils) for essential costs such as employing a principal (head teacher) and buying books and equipment.

Post-opening period – the number of years taken for the UTC to build up to capacity, agreed between the UTC Trust and Department.

Procurement – the process of entering into contracts for the acquisition of goods and/or services.

Project development funding – funding provided to help set up the school before it opens. It can be used to help develop detailed plans for the school including the curriculum, recruiting a principal designate, running a consultation on the proposed school, and attracting pupils.

Pupil premium – additional funding allocated to schools for children who are eligible for free school meals. Children who had been continuously looked after for six months at some point in the period up to 31 March 2010 will also attract the Pupil Premium. A premium has also been introduced for children whose parents are currently serving in the armed forces; this was £200 in 2011-12 and rose to £250 for 2012-13. This service premium is designed to address the emotional and social well-being of these pupils

Qualified Teacher Status (QTS) – is the accreditation that enables individuals to teach in state-maintained and special schools in England and Wales.

Religious character – see religious designation.

Religious education (RE) - all schools must teach religious education. For schools that are not designated as a school with religious character, the RE curriculum must reflect that the religious traditions in Great Britain are, in the main, Christian, while taking account of the teaching and practices of the other principal religions represented in Great Britain.

School action and school action plus – programmes for children with special educational needs who are not 'statemented'.

School Admissions Code and School Admissions Appeals Code - UTCs must comply with the School Admissions Code which is a statutory document we publish that ensures equity and fair access for all. Applicants should note that a new version of the School Admissions Code was published in early 2012 and will be applicable to admissions from September 2013 onwards. The new code should be taken into account when preparing applications.

Special educational needs (SEN) - children with a learning difficulty which **requires** additional, or otherwise different, educational provision than is offered more generally for children of their age.

Special Educational Needs Coordinator (SENCo) – the SENCo plays a key role, in collaboration with the headteacher and governing body, in determining the strategic development of the SEN policy and provision in the school in order to raise the achievement of children with SEN. The SENCo takes day-to-day

responsibility for the provision made for individual children with SEN, working closely with staff, parents and carers, and other agencies.

The SENCo also provides related professional guidance to colleagues with the aim of securing high quality teaching for children with SEN.

Service children – children whose parents are in the armed forces. A premium has been introduced for children whose parents are currently serving in the armed forces; this was £200 in 2011-12 and rose to £250 for 2012-13. This service premium is designed to address the emotional and social well-being of these pupils

Solvency/insolvency – a company or individual is solvent if the value of its assets exceeds the value of any debts it might owe. Insolvency occurs when a company or individual's debts exceed their assets or if a company or individual has insufficient funds available to meet its debts as they fall due.

Start-up funding – see 'post-opening funding'.

Statements of special educational needs - a statement describes a child's special educational needs and the special help a child should receive. The LA will usually make a statement if they decide, following a statutory assessment, that all the special help a child needs cannot be provided from within the school's resources. These resources could include money, staff time and special equipment.

Statutory assessment of SEN - this is a detailed investigation to find out exactly what a child's special educational needs are and what special help a child needs. A statutory assessment is only necessary if the school or early education setting cannot provide all the help that the child needs.

Statutory assessment arrangements - this includes administering the phonics screening check at the end of Year 1; reporting teacher assessment judgements (informed by tests and tasks) at the end of Key Stage 1; administering National Curriculum Tests and reporting teacher assessment judgements at the end of Key Stage 2; and reporting end of Key Stage 3 teacher assessment judgements.

Steady state – the first year after you have reached full capacity in terms of pupil numbers.

Studio Schools – Studio Schools are designed to address the concern by employers that some school leavers do not have the skills to join the workforce. They are small schools for 14 to 19 year olds, and teach an academic and vocational curriculum. Each has input from businesses, who shape what pupils learn and offer work experience. School days run on office hours, and holidays are shorter to reflect the working environment. By studying in this way, and by working with employers from an early age, students learn vital practical skills like punctuality, and good communication and behaviour in the workplace.

Teachers' Pension Scheme (TPS) - a contributory scheme administered by Teachers' Pensions (TP) on behalf of the Department for Education. UTCs must offer this scheme to all their teachers, including head teachers.

Value for money (VfM) –the term used to assess whether or not an organisation has obtained the maximum benefit from the goods and services it acquires and/ or provides, within the resources available to it. It not only measures the cost of goods and services, but also takes account of the mix of quality, fitness for purpose, timeliness and convenience.

Voluntary contributions – a suggested donation sometimes sought by schools in order to support their work.

Annex C: Application Checklist

Checklist: Sections A-H of your application		
	Yes	**No**
1. You have established a company limited by guarantee	☐	☐
2. You have provided information to cover all of the following areas:		
Section A: Applicant details – including signed declaration	☐	☐
Section B: Outline of the UTC	☐	☐
Section C: Education vision	☐	☐
Section D: Education plan	☐	☐
Section E: Evidence of demand and marketing	☐	☐
Section F: Capacity and capability	☐	☐
Section G: Initial costs and financial viability	☐	☐
Section H: Premises	☐	☐
3. This information is provided in A4 format using Arial font, minimum 12 font size, includes page numbers and sections C-H of your application do not exceed 20 pages (excluding appendices)	☐	☐
4. You have completed and attached appendices 1-5	☐	☐
5. You have completed two financial plans in Excel using the financial template spreadsheet	☐	☐
6. All relevant information relating to Sections A-H of your application has been emailed to utc.applications@education.gsi.gov.uk by 16 November 2012 and the email is no more than 10MB in size.	☐	☐
7. Two hard copies of the application have been sent by 'Recorded Signed For' delivery to: UTCs Applications Team, Department for Education, 3rd Floor, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, by 16 November 2012.	☐	☐

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