

# Free Schools in 2013

## How to apply

### Mainstream and 16-19 Free Schools

<b>Contents</b>	<b>Page</b>
<b>1. Things to know before you start</b>	<b>3</b>
Vision	3
What is a Free School?	3
Free Schools: law and policy	4
<b>2. Getting started</b>	<b>6</b>
Before you start	6
Organising your group	6
Establishing a company	7
Suitability of applicants	8
<b>3. The application process explained</b>	<b>9</b>
What happens when	9
<b>4. How we assess applications</b>	<b>11</b>
<b>5. Preparing your application</b>	<b>13</b>
<b>6. Assessment criteria</b>	<b>14</b>
Section A: Applicant details and declaration	14
Section B: Outline of the school	14
Section C: Education vision	15
Section D: Education plan	16
Section E: Evidence of demand and marketing	21
Section F: Capacity and capability	24
Section G: Initial costs and financial viability	28
Section H: Premises	33
Section I: Due diligence and other checks	36
<b>7. Submitting your application</b>	<b>37</b>
How, where and when to submit your application	37
<b>8. Support for applicants</b>	<b>38</b>
Annex A: Types of schools	40
Annex B: School funding overview	42
Annex C: Glossary of terms	44
Annex D: Application checklist	50

# 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. We want parents to have a choice of more good schools and to have the opportunity to open new schools where they want them.

1.2 The Free Schools programme is helping us realise this vision. In response to parental demand, new or existing providers can establish – faster than ever before - schools that are supported by local parents and offer high standards. By introducing increased competition, innovation and parental choice we aim to raise standards across the school system.

1.3 The whole point of the Free Schools policy is that it should encourage innovation and be driven by the vision and passion of those proposing a school. There are four main categories of Free School: mainstream, 16–19, special and alternative provision. You can find out more about the characteristics of these types of school and how to apply if your vision does not fit precisely with them in **Annex A**.

1.4 This guidance is for people who would like to establish a mainstream Free School or 16–19 Free School. If you are interested in applying to set up a special Free School or an alternative provision Free School, you should refer to the specific guidance available [here](#). You can also find out about how to apply to establish a University Technical College or Studio School [here](#). This guidance contains a number of technical terms and you may find it useful to refer to the glossary of terms provided in **Annex C**.

## What is a Free School?

1.5 **Mainstream Free Schools** are all-ability, state funded schools independent of the local authority. Anyone can apply to set them up without waiting for permission from local authorities or other schools. They can be primary, secondary, middle or all-through schools. They receive the same basic per pupil funding as local authority maintained schools, including an element for levels of deprivation<sup>1</sup>. Mainstream Free Schools are also able to offer nursery provision. This is funded separately through either the local authority or charging parents directly. See **Annex B** for further information on funding for nursery provision.

1.6 **16–19 Free Schools** are expected to improve choice and drive up standards in post-16 provision. Legislation to enable 16–19 Free Schools to open is currently being considered by Parliament. This means that although we will assess and approve applications for 16–19 Free Schools, the schools themselves

---

<sup>1</sup> The approach to and levels of Free Schools funding are currently being reviewed. The funding that schools will receive from 2012/13 onwards has not yet been agreed. Please refer to **Annex B** for further information.

cannot open unless Parliament approves this legislation. If you wish to set up a **16–19 Free School**, please submit your application using this mainstream guidance and the accompanying mainstream application forms and templates.

## Free Schools: law and policy

1.7 Mainstream Free Schools are new Academies and as such are independent schools to which the relevant Independent School Standards apply<sup>2</sup>. The Education (Independent School Standards) (England) Regulations 2010 are available [here](#).

1.8 Each Free School will enter into a contract with the Secretary of State. This contract, termed the ‘funding agreement’<sup>3</sup>, sets out the arrangements and standards by which the Free School must be run. The model documents can be found [here](#).

1.9 You should be aware of the following key requirements.

1.10 Mainstream Free Schools must:

- adopt fair practices and arrangements that are in accordance with the School Admissions Code, the School Admissions Appeals Code and admissions law as it applies to maintained schools. Free Schools designated as having a religious character will have to balance the needs of (a) children of the particular faith and (b) children of other faiths or none; and when oversubscribed, will have to limit those admitted on the basis of faith to 50% of their yearly intake;
- follow the statutory assessment arrangements as they apply to maintained schools<sup>4</sup>;
- collect performance data, publish results<sup>5</sup> 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; and
- provide a broad and balanced curriculum including the core subjects of English, maths, and science and make provision for the teaching of religious education.

---

<sup>2</sup> There are some exceptions for 16-19 Free Schools to enable them to operate on the same basis as Sixth Form Colleges, for example, in relation to admissions and the curriculum.

<sup>3</sup> 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 Free Schools) by payment of grant.

<sup>4</sup> See **Annex C** for further information on statutory assessment arrangements

<sup>5</sup> For 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.

1.11 Mainstream Free Schools do not have to:

- follow the National Curriculum;
- employ teachers with Qualified Teacher Status<sup>6</sup>; or
- comply with the provisions in the School Teachers' Pay and Conditions Document.

1.12 **16-19 Free Schools** will share the same features as mainstream Free Schools with a few exceptions. 16–19 Free Schools do not have to:

- admit pupils in accordance with the School Admissions Code, the School Admissions Appeals Code and admissions law as it applies to maintained schools. They are able to select pupils based on GCSE grades or other criteria. They must set their own, transparent, admissions criteria;
- offer a broad and balanced curriculum, allowing them to offer students a specialised curriculum. They must offer qualifications that meet the interests and needs of their pupils; or
- follow special educational needs legislation but must give regard to equalities legislation, including ensuring equal access to young people with any disability, including learning difficulties that constitute a disability. 16-19 Free Schools will also need to have regard to any possible future legislative changes arising from proposals in the Special Educational Needs and Disability Green Paper<sup>7</sup>.

---

<sup>6</sup> With the exception of a Special Educational Needs Coordinator and the school's designated lead for looked after children, although please note that certain head teachers may hold these roles without having QTS.

<sup>7</sup> You can find the Special Educational Needs and Disability Green Paper here: <http://www.education.gov.uk/schools/pupilsupport/sen/a0075339/sengreenpaper>

## 2. Getting started

### Before you start

2.1 Free Schools can be set up by any suitable organisation or group, such as parents, teachers or community groups. Existing independent schools are also able to apply to become Free Schools. Existing state-maintained schools, including Academies, can also apply to establish a new Free School.

2.2 Setting up a school requires a lot of time, commitment and determination. Before you start your application, you should think about:

- the type of school you want to establish;
- the law and policy as they apply to Free Schools;
- the potential demand in your area for the particular school you want to set up;
- potential sites for the Free School;
- the level of involvement you want to have in setting up the school;
- the relevant skills and experience you have to set up and run a school; and
- whether you need to access any additional expertise and how you might secure this.

2.3 The New Schools Network is an independent charity which receives funding from the Department for Education to provide free advice and support to groups interested in applying to set up Free Schools. We strongly recommend that you contact them before you send in your application. Click [here](#) for a direct link to their website.

### 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, the huge job of preparing for the school to open) and long term basis (strategic running of the school as well as day-to-day management). Groups will then want 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.

2.5 Each Free School must be underpinned by strong governance arrangements and established on a solid legal footing. Behind any Free School is a company, referred to as an Academy Trust, constituted specifically for the purpose of establishing and running a school. This must be set up as a company limited by guarantee to protect the individuals who establish it by limiting their personal liabilities.

## Establishing a company

2.6 A company is made up of members and directors. Neither members nor directors are paid for their work in this role. **The members** of a company are its legal owners and have a strategic role in running the school 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 when setting up your company, the members are required to appoint at least one director. This may be one of the members themselves.

2.7 **Directors** will be responsible for the day-to-day management and governance of the school. In other words, your directors will be the governors of your school 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 in some cases will undertake both roles. We would expect most of the directors not to be members of the company as well because it is important to have clear lines of accountability between the directors and the members.

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. Free Schools should use the Department for Education's model memorandum and articles of association which can be found [here](#). If your company is formed using our model memorandum and articles of association it will also be a charity at the point that the articles are adopted. The company's Directors will then also be its **trustees**<sup>8</sup> for charity law purposes.

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 at this [link](#). Please note that we may request to see your memorandum and articles of association at a later date.

2.11 If you have previously established a company limited by guarantee for the purposes of running a school (and the company's object specifically reflects this) you can use this company rather than establish another one. Some amendments might be required later to the company's articles of association bringing them in line with our model. Where you have previously established a company limited by guarantee for purposes other than running a school (even if it is for some other educational purpose), you need to establish a new company

---

<sup>8</sup> There is guidance issued by the Charity Commission on the role and duties of charity Trustees: <http://www.charitycommission.gov.uk/publications/cc3.aspx>

using our model documents.

2.12 The individuals behind any Free School 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. You should have arrangements in place to ensure that any potential conflicts of interest are avoided. In the case of Free Schools, conflicts of interest could include members of groups being related to each other or principals setting their own salaries (e.g. if they are also a director of the Academy Trust) but we encourage you to think widely about any possible conflicts of interest that you may face. It is possible for members of groups involved in establishing a Free School to be employed later at the school. However if this is your intention, we would expect you to demonstrate how you will avoid a conflict of interest, including through fair and transparent recruitment processes.

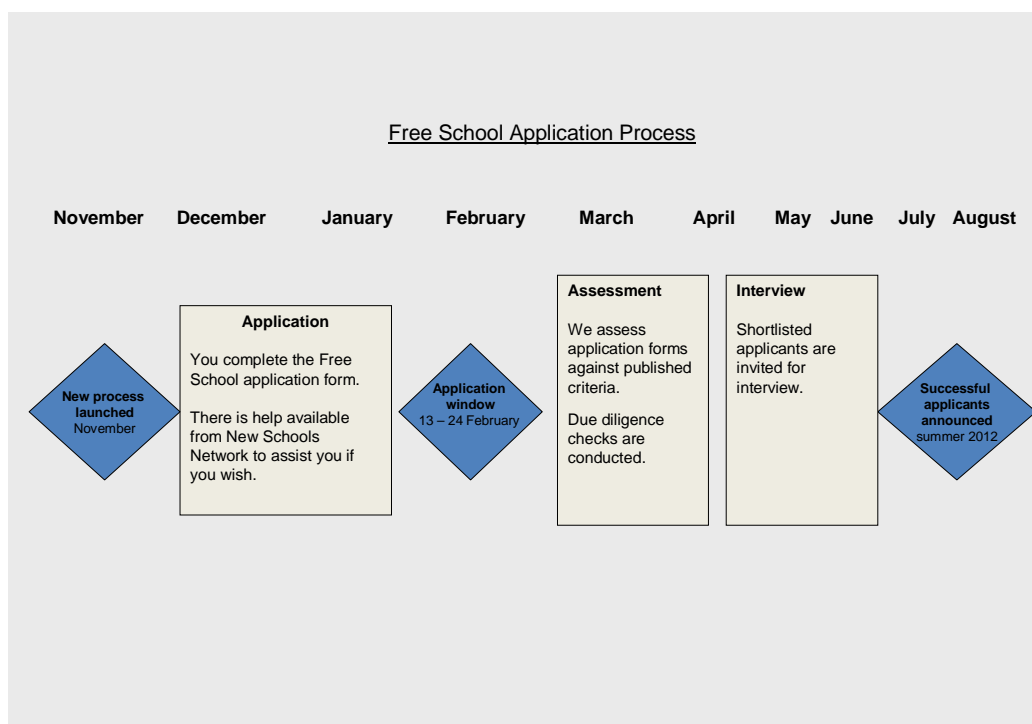
2.13 Just as every Free School application will be different, the make up of applicant groups will be different. There is no right or wrong model for the composition of a group. Each group will want to ensure that it has the right balance of skills and experience to deliver its vision. The New Schools Network will be able to advise you on the implications of each model for you and the kinds of skills and expertise required.

## **Suitability of applicants**

2.14 The Secretary of State will seek to ensure that only suitable persons are permitted to establish publicly funded Free Schools. 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 they would support UK democratic values including respect for the basis on which UK laws are made and applied; respect for democracy; support for individual liberties within the law; and mutual tolerance and respect.



### 3. The application process explained



#### What happens when

#### Preparing and submitting your application

3.1 This application process is primarily for those wanting to set up a school which will open in 2013. We will only consider 2014 applications on an exceptional basis where a strong case is made for the need for an extended lead time.

3.2 Completed applications **must** be submitted to us between 9.00 am on the 13 February and 6.00 pm on the 24 February. Please note that any applications received outside these times will not be considered.

3.3 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.

#### Assessment of your application

3.4 We will assess your application against the requirements and criteria set out in this guidance. 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 Free School applications<sup>9</sup> and a range of contextual factors. **Chapter 4** provides further information about the assessment process; and
- be subject to due diligence checks. This means we will use the personal information you provide to check your suitability to set up a Free School.

## **Interviews**

3.6 If your application is assessed as one of the strongest, we will invite your group to an interview. We will provide further information on interview dates in due course.

## **Final approval and decisions**

3.7 We hope to let everyone know the outcome of their application, successful or otherwise, in summer 2012.

3.8 If the Secretary of State decides your application should progress you will be provided with a dedicated project lead from the Department for Education, along with support to help secure a site and open your school.

3.9 There will be a significant amount of work to complete between approving your Free School application and your Free School actually opening. You should therefore be clear that members of your group are able to commit themselves fully to the time necessary to do this. During this period you may have support to hire a principal designate and other senior staff, as well as project management support. The key requirement for you is to oversee any staff working full-time.

3.10 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.

## **Appeals**

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

---

<sup>9</sup> Applications for mainstream schools will be judged against other mainstream applications and 16-19 applications will be judged against other 16-19 applications.

## 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 mainstream or 16-19 Free School applications as appropriate; and
- against a range of contextual factors including value for money.

4.2. Applications will also be subject to due diligence and other checks. You can find out more information about these checks in **Chapter 6** of this guidance.

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

- the age range of the Free School;
- overall cost;
- value for money;
- the Secretary of State's duty to consider equality issues<sup>10</sup> related to the proposed Free School;
- the standards of schools in the local area;
- the level of deprivation in the community the school will serve;
- the need for more school places in the area;
- the type of provider;
- the balance between secular and faith schools; and
- the recent track record, including on education and finance, of applicants who run existing schools.

4.4 For applications from existing independent schools wishing to become Free Schools, we will also consider the following factors:

- the popularity of the school, as our expectation will be that the school is at or near maximum capacity in terms of pupil numbers; and
- the appeal of the Free School to parents who do not currently have children at the school, especially from more disadvantaged homes.

4.5 In addition, existing independent schools wishing to become Free Schools must also meet all of the following requirements:

- they must have no significant outstanding issues on compliance in their most recent inspection report;
- they must provide a link to their most recent inspection report with their application. Schools inspected by Ofsted, the Bridge Schools Inspectorate or the School Inspection Service should have achieved a judgement of good or better in the following areas:

---

<sup>10</sup> Section 149 of the Equality Act 2010: <http://www.legislation.gov.uk/ukpga/2010/15/contents>

- the quality of education;
  - safeguarding pupils' welfare, health and safety; and
  - promoting the spiritual, moral, social and cultural development of pupils.
- schools inspected by the Independent Schools Inspectorate should have achieved a judgement of good or better in the following areas:
    - the quality of academic and other achievements;
    - the contribution of curricular and extra-curricular provision;
    - the contribution of teaching;
    - the quality of the pupils' personal development;
    - the contributions of arrangements for welfare, health and safety;
    - the effectiveness of governance, leadership and management;
    - the quality of education;
    - safeguarding pupils' welfare, health and safety; and
    - promoting the spiritual, moral, social and cultural development of pupils.
- schools must be able to demonstrate that they have a good track record of managing their accounts<sup>11</sup>.

---

<sup>11</sup> See criterion **G6** for further details.

## 5. Preparing your application

5.1 A Free School application is made up of nine sections as follows:

- **Section A:** Applicant details and declaration
- **Section B:** Outline of the school
- **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
- **Section I:** Due diligence and other checks

5.2 In **Sections A-H**, we are asking you to tell us about you and the school you want to establish. We have provided a form available [here](#) for you to use.

5.3 **Section G** also requires you to submit two financial plans. Both financial plans should be filled out using the same template, available [here](#) but using different assumptions. The first financial plan should be developed on the basis that all the pupil places in your school will be filled. The second financial plan must show how you would manage your budget and remain financially viable if you were unable to achieve the levels of income you assumed in the first scenario (e.g. if you were unable to recruit the number of pupils you expect).

5.4 **Section I** is about your suitability to run an alternative provision Free School. All members of the company must each fill out a copy of the form available [here](#). Directors of the company, where they have been appointed, must also fill out this form.

5.5 Independent schools must include a link to their latest inspection report. They must also submit their last two years' audited accounts with their application, or supply alternative evidence of financial viability where the school has not been open long enough to have two years' worth of audited accounts.

5.6 You need to submit all of this information in order for your application to be assessed. The next chapter 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 Free School application.

## 6. Assessment criteria

6.1 You must complete all nine sections of your application 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.

### Section A: Applicant details and declaration

6.2 This section seeks basic information about applicants, 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.

6.3 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 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 Free School 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 will hold all personal information you supply securely and will only make it available to those who need to see it as part of the Free School application process. All personal information supplied in these forms will only be retained for as long as it is needed for this process.

6.4 There are no assessment criteria for this section.

### Section B: Outline of the school

6.5 This section seeks key details on the type of Free School that is being proposed, including its name, planned yearly intakes and the number of pupils when the school is at full capacity. It also asks whether the school will be designated as having a religious character.

6.6 There are no assessment criteria for this section.

## Section C: Education vision

6.7 The education vision should describe why you want to set up your particular Free School 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 school and how it informs your education plan.

6.8 We will be using one criterion 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 school.**

You must:

- set out clearly why you are seeking to establish your Free School. Please explain the key features of your school, including the proposed age range, curriculum, location and approach to teaching and learning;
- identify what will make the school distinctive in its vision and ethos and how this has informed the education plan;
- set out your aspirations for the achievement of individual pupils, and the school as a whole, and why these targets are appropriate;
- explain how the particular ethos of the school will be reflected in its curriculum; and
- explain how your group's religious beliefs and affiliations will be reflected in, or influence, the curriculum if you are applying to set up a Free School designated as having a religious character.

In preparing your application it is important to note that:

- creationism, intelligent design and similar ideas must not be taught as valid scientific theories.

## Section D: Education plan

6.9 This is the heart of your application. Your education plan must explain how your school will achieve its education vision. You should note that Section D in the application form we have provided includes two parts for you to fill out. Part 1 asks you to fill out a table showing how your school will grow over time to full capacity. Part 2 is where you should provide the information we are seeking in relation to the criteria below. The education plan should describe the structure of your school and the experience that pupils will have there. You should set out your aspirations for pupil achievement, how you aim to meet these and how the school will evaluate performance, both of individual pupils and the school as a whole.

6.10 We will be using eight criteria to assess this part of your application. Seven of these criteria apply to all Free School applications. In some instances what we are seeking from applications for mainstream schools and 16–19 schools is different. You should read this section carefully to ensure that you provide information relevant to the type of school you want to set up.

6.11 You should only seek to address criterion **D8** if you are intending to be designated as a school with a religious character<sup>12</sup>.

### **D1: Set out a viable curriculum plan with appropriate focus on core areas of learning.**

If you are applying to set up a mainstream Free School, you must:

- describe the curriculum in detail, setting out how it will be broad and balanced<sup>13</sup> and meet the different needs and interests of all pupils including, for secondary students, the range of qualifications which might be offered.

If you are applying to set up a 16–19 Free School, you must:

- describe the curriculum in detail, setting out what will be covered, the range of qualifications offered and how these will meet the needs and interests of all students.

If you are applying to set up a mainstream secondary Free School which includes 16–19 provision, you must:

- cover both of the above points.

<sup>12</sup> See **Annex C** for an explanation of religious designation

<sup>13</sup> 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 school and of society, and (b) prepare pupils at the school for the opportunities, responsibilities and experiences of later life. For a full definition, please refer to the glossary.



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

- for primary schools, a broad and balanced curriculum should include the core subjects of English, mathematics and science and will need to support pupil progression to secondary education;
- for secondary schools, a broad and balanced curriculum should include, but not be limited to, the core subjects of English, mathematics and science;
- good applications will set out a coherent curriculum plan supported by the proposed financial plans; and
- good applications will specifically address how the curriculum and its delivery will improve pupil outcomes on a range of measures.

## **D2: Provide a coherent and feasible school timetable and calendar.**

You must:

- set out expectations around the length of the school day, term and year. This should include the number and length of lessons each day 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.

## **D3: 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 for meeting them, including supporting those who need it and stretching the most able (gifted and talented pupils);
- show how you will use ICT, other agencies and partners' resources to support the learning and achievement of pupils of varying abilities and needs;
- describe the strategies you will use to overcome barriers to learning and achievement, such as children with English as their second or additional language;
- set out your approach to supporting disabled pupils and pupils with special educational needs, who may or may not have a statement of special

educational needs; and

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

#### **D4: Tell us how your definitions and measures of success will deliver your aspirations 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 the whole school and how these will be monitored, reviewed and reported; and
- set out plans to develop pupil assessment and tracking systems.

#### **D5: Describe your admissions policy, confirming commitment to fair and transparent admissions practices.**

If you are applying to set up a mainstream Free School, you must:

- set out your admissions policy, including the criteria to be used to prioritise places if your school is oversubscribed. Your admissions policy must be in accordance with the School Admissions Code<sup>14</sup>, 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.

If you are applying to set up a 16–19 Free School, you must:

- set out your admissions policy, including the criteria to be used to prioritise places if your school is oversubscribed. Your admissions policy does not have to be consistent with the School Admissions Code, the School Admissions Appeals Code or admissions law. You must describe, however, how your admissions policy will be fair and transparent.

If you are applying to set up a mainstream Free School which includes 16–19 provision, you must:

- cover both of the above points setting out your admissions policies for both the 11-16 and 16-19 phases of the school.

---

<sup>14</sup> We are revising both the School Admissions Code and the School Admissions Appeals Code at the moment. The new codes are due to come into force in February 2012 and will affect the allocation of places for children starting school in September 2013. Please use the draft codes available [here](#) when developing your application.

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

- Free Schools designated as having a religious character will have to balance the needs of (a) children of the particular faith and (b) children of other faiths or none; and when oversubscribed, will have to limit those admitted on the basis of faith to 50% of their yearly intake.

**D6: 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 education vision and linked to raising standards and educational outcomes.

**D7: Demonstrate your understanding of the local community and its needs, and your plans for sharing facilities with other schools and the wider community.**

You must:

- demonstrate a good understanding of the community your pupil intake will come from and show how the education plan reflects that while retaining high expectations for pupil achievement;
- describe any plans you have for working with other schools, educational establishments or the wider community; and
- set out how you will promote good community relations.

**D8: If you are intending to be designated as a school with religious character, show how the needs of all children (whether of a particular faith or none) are fully provided for within the education plan.**

You must:

- show that your plan has fully taken into account the differing needs of all your pupils;
- describe how you will ensure that the school will be welcoming to pupils from other faiths and none; and

- explain how the school's religion will be reflected in the school's curriculum, including what percentage of your timetable will be devoted to religious education and why this percentage is appropriate.

In preparing your application it is important to note that:

- creationism, intelligent design and similar ideas must not be taught as valid scientific theories.

## Section E: Evidence of demand and marketing

6.12 In this section we are looking for evidence that parents would send their children to your school. You should note that Section E in the application form we have provided includes two parts for you to fill out. Part 1 asks you to fill out a table showing the number of pupils you intend to have in each year group and the demand you have established. Part 2 is where you should provide the information we are seeking in relation to the criteria below. 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 school 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.

6.13 We will be using two criteria to assess this part of your application.

**E1: Provide evidence of demand from parents with children of the relevant age for each new year group in each of your first two years of operation. Include confirmation from parents that they would select your Free School as the first choice for their child.**

You must:

- provide information that clearly shows the number of parents that want to send their children to your particular school. You must ask parents who could realistically send children to the school. You will need to have in mind your stated admissions policy, the age range on offer and where your site will be. Children must be of the relevant age to fill the year groups on offer when your school opens and in its second year of operation. For example, if you want to open a primary school in September 2013 with an intake of reception pupils and year 1 pupils, you will need to show evidence of demand from parents of children who will be:
  - i) turning five in the 2013/2014 academic year to fill your reception class in September 2013;
  - ii) turning six in the 2013/2014 academic year to fill your Year 1 class in September 2013; and
  - iii) turning five in the 2014/15 academic year to fill your reception class in September 2014.
- tell us the exact questions that you asked in your survey and provide a summary of responses. These questions should be specific to your school and its proposed curriculum and ethos. Examples of survey questions that demonstrate this include: “do you support the ethos and objectives of X school?” and “will this school be your first choice for your child?”;
- provide a template of the survey form you asked parents to complete;
- tell us how you have engaged directly with the community. This could be through public meetings, attendance at community events, discussions with

local schools or parents, handing out leaflets in your local area etc; and

- if your application is for a 16–19 Free School, demonstrate demand directly from young people of the relevant age in addition to demand from parents.

You must not:

- send in copies of individually completed survey forms.

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

- 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, the better;
- demand is critical because a school's income is dependent on pupil numbers. For **Section G** you will need to fill in a financial template to show how you would amend your budget if your school were not completely full;
- it is helpful for us to know where in your area the demand for your school is coming from. You can do this by supplying a map or diagram that shows the location of parents who have expressed a preference for the school in relation to the school's proposed site and how this is consistent with the school's proposed catchment area; and
- we will ask you for updated evidence of demand if we invite you to interview so you should continue to engage with your community and collect information on an ongoing basis.

**E2: Demonstrate how you intend to reach out to the wider community, including, where relevant, children from a range of backgrounds, faiths and abilities. Independent schools will need to demonstrate evidence of demand beyond their existing pupil and parent base.**

You must:

- demonstrate how you have made or plan to make the school attractive to pupils of different backgrounds and abilities. This should include pupils from deprived or disadvantaged families;
- tell us if you are planning to use the school as a resource for the wider community (e.g. hiring out premises) and, if so, how will this be managed; and
- include details of any discussions you have had with the local authority about pupil admissions or any details you have gathered about the need for more school places in the area.

If you are proposing a school designated as having a religious character, you must:

- show how the school will attract pupils from other faiths and none;
- show how the school will meet the needs of pupils of other faiths and none. You will need to set out how you think school policies will impact on these pupils. You should consider uniform and the wearing of religious symbols, the school meals you will provide and whether there will be dietary requirements, your religious education curriculum and the nature of collective worship; and
- demonstrate how you have engaged actively with parents of other faiths and none in establishing demand for your school.

If you are an independent school, you must:

- demonstrate how you will appeal to parents who do not currently have children at the school. You should focus in particular on children from more disadvantaged homes; and
- present separate evidence of demand for current and prospective parents.

## Section F: Capacity and capability

6.14 You must demonstrate to us that your group has the capacity and capability to set up **and** run a school. You must have access to appropriate educational, financial and other expertise either within your group or by procuring additional support. If your application is approved, we will be able to support you, if required, to secure additional expertise that you may need in the implementation phase, such as project management, human resources, ICT and sites and property/construction.

6.15 Before submitting an application for a Free School, you **must** have established a company limited by guarantee with members and directors 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.

6.16 We will be using six criteria to assess this section of your application. In providing responses to criteria **F1**, **F2** and **F3** set out below, it is important to note that:

- expertise could come from within your group or through forming a voluntary partnership with an organisation or individual(s) with a successful educational track record or by entering into a commercial contract with such an organisation or individual(s);
- there is no guarantee that your application will be successful. Therefore you **must not** enter into any contracts in the expectation of funding from the Department for Education. In your application you should tell us what contractual arrangements, if any, you would like to have in place should your application be approved; and
- public procurement regulations apply to expenditure of public money and require that commercial contracts must be let competitively. 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.

### **F1: Show how you will access appropriate and sufficient educational expertise to deliver your vision.**

You must:

- show that you have identified the resources, people and skills that you will need to set up and operate a school;
- confirm time commitments to the project from relevant individuals; and
- set out clear and detailed plans for identifying and securing any necessary educational expertise currently missing from your group.



**F2: Show how you will access appropriate and sufficient financial expertise to manage your school budget.**

You must:

- show that you have identified the resources, people and skills that you will need to set up arrangements for and undertake the financial management of a school;
- confirm time commitments to the project from relevant individuals; and
- set out clear and detailed plans for identifying and securing any necessary financial expertise, including an understanding of school budgets, currently missing from your group.

**F3: Show how you will access other relevant expertise to manage the opening and operation of your school.**

You must:

- provide details of your group, including the members of the company, and their particular areas of experience and expertise;
- 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 school will be balanced against the development of others if your group is seeking to establish more than one school; and
- set out clear and detailed plans for identifying and securing any necessary expertise currently missing from your group.

**F4: 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 school is increasing in size over time) in line with planned pupil numbers and financial resources;
- describe the final staffing structure and show how it is sufficient, affordable and appropriate to deliver the education vision and plan;
- set out the structure of the senior leadership team, heads of department and

any support staff, as well as a clear description of their roles and responsibilities;

- reflect both the arrangements for the first term and year, and for the longer term as the school builds to full capacity, with clear delineation of roles and responsibilities; and
- ensure the information you provide is consistent with that provided in **Section G**.

**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 school's principal designate (head teacher) and the role you envisage him/her playing in the implementation 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 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 breadth of skills needed to oversee successfully both the implementation of a school and its operation once open.

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 up to two terms in advance of the school's opening date.

**F6: Demonstrate a clear understanding and describe the respective roles of the company members, governing body and principal designate in running your school.**

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 school's governing body (the company directors) and the principal;
- clearly define and set out the respective roles and responsibilities of the company members, the governing body and the principal designate; and
- have arrangements that seek to ensure that any potential conflicts of interest are avoided and that deliver **independent** challenge to those with executive functions.

## Section G: Initial costs and financial viability

6.17 In this section we are looking for evidence that the cost of setting up your school and delivering your proposed education plan is affordable and that your group is able to plan and manage the financial side of running a publicly funded school. Free Schools must offer value for money.

6.18 We have included in **Annex B** an explanation of how school funding works and the information you need to know before starting this section of your application. You should read this annex carefully.

### **Step 1 - You must complete two different financial plans for your school.**

6.19 We want you to create two different financial plans for your school. You must do this by filling out the same template spreadsheet twice, with information based on two different scenarios. The template spreadsheet is available [here](#) and must be used for all primary, secondary, 16-19 and all-through Free School applications<sup>15</sup>. Instructions for completing the spreadsheet are contained within it.

6.20 The first financial plan needs to show us the income you expect to receive and what you intend to spend when your school is full. You must provide financial information up to and including the academic year **after** the school is full. For example, if you are applying for a primary school opening in September 2013 with a reception class, and adding pupils each year, it will be 2019/20 before there are pupils in each year up to and including Year 6. You would therefore need to complete a financial plan covering the period 2013/14 to 2020/21. Financial plans should be completed for a minimum of five years. The exception is for independent schools that do not intend to expand. If this is the case and your school is already full, please provide financial information for the next three years.

6.21 You should complete the second financial plan to show us how you would reduce spending if your income were lower than expected – for example, if you recruited fewer pupils than planned. Please see criterion **G5**.

**6.22 In both financial plans, your income must always exceed your expenditure, taking start-up funding and reserves you have built up in prior years into account.**

6.23 In preparing your financial plans, you should think carefully about how you can make the best use of the money available to you to deliver your school's education plan. We know that it will not be possible for you to state actual costs at this stage but we need you to demonstrate that your particular education vision and plan are affordable. The cost estimates you make need to be realistic and based on evidence. You can do this by looking at what other schools do and how much they spend each year on different things. If you show income that is not from the Department for Education, you need to explain where it is coming from, how certain you are that you will get it and provide evidence to support this assumption.

---

<sup>15</sup> The mainstream financial plan template must **not** be used for proposals for alternative provision, studio schools, university technical colleges or special schools – separate templates are available for those proposals.

6.24 In preparing your financial plans it is important for you to ensure that they:

- are based on clearly stated and evidenced assumptions;
- flow directly from the education vision and plan for your Free School;
- show how you have kept costs to the minimum needed to deliver your education plan;
- refer to established school benchmarks where appropriate;
- use best estimates where there are uncertainties;
- do not show a deficit in any year;
- are not predicated on your school being able to borrow money;
- do not carry over excessive balances of money from one year to the next; and
- show clearly any income you are expecting to receive from sources other than the Department for Education and provide robust evidence to show why this is realistic and achievable.

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

**Step 2 - In addition, you must include an explanation in your application form of how you developed your financial plans and the thinking behind them.**

6.26 We expect you to explain how you have kept costs as low as possible and how your financial plans support your education vision and plan. You should also tell us about the assumptions you have based your plan on, and the evidence you have gathered to show these are realistic.

## **Review of school funding**

6.27 School funding for 2012/13 and beyond is not yet decided because of wider work going on to reform the school funding system. Therefore, you will need to use the Free School funding figures and approach for 2011/12 when completing your financial plans. This means that the approach to, and levels of, funding suggested by the template spreadsheet are indicative only, and do not represent the actual funding the school would receive if approved.

6.28 We will be using six criteria to assess applications for initial costs and financial viability. Five of the criteria apply to all Free School applications. You should only seek to address criterion **G6** if you are an existing independent school seeking to become a Free School.

**G1: Show how the school will be financially viable and offer good value for money up to the point where there are pupils in each year.**

You must:

- show in **both financial plans** that income, including start-up funding, would exceed expenditure for each year up to and including the first year in which you have pupils in each year (the 'start-up' period); and
- demonstrate you have minimised the need for any start-up funding, particularly staffing diseconomy funding<sup>16</sup>. For example, where the school is building up year group by year group we would normally expect principals to do some teaching, and for support staff to fulfil multiple roles.

**G2: Show how the school will be financially sustainable once there are pupils in each year.**

You must:

- demonstrate in your **first financial plan** that income will exceed expenditure once the school is no longer eligible for start-up funding. The last year in which schools are currently eligible for start-up funding is the first year in which they have a cohort of pupils in each year; and
- set out clearly and explain in your application form the supporting assumptions for this first financial plan.

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

- a strong financial plan should also include contingencies and flexibility that would allow the school to cope with unexpected financial pressures. You should not do this by building up a large surplus over time.

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

You must:

- show in your **second financial plan** how you would reduce your expenditure to spend 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 being able to deliver high quality education in line with your stated education vision and plan;
- show in your second financial plan how you would manage if only 90% of pupil places were filled in each year;

<sup>16</sup> See **Annex B** for more on staffing diseconomy funding.

- also take into account any other areas that could impact on your school's income. In particular, where relevant, you should show in your second financial plan how you would manage if:
  - your proportion of free school meals pupils were lower than expected where you are assuming a higher rate than the local authority average; and/or
  - you did not reach the assumed level of income from sources other than Department for Education grants e.g. third party contributions.

and

- set out clearly and explain in your application form the supporting assumptions for your second financial plan.

#### **G4: Provide realistic financial plans that are consistent with other aspects of your application.**

You must:

- be consistent about the information you provide in **both financial plans** and other relevant parts of your application. This means that the numbers and assumptions in your **first financial plan** must match the numbers and assumptions stated elsewhere in the application form and that the numbers and assumptions in your **second financial plan** are clearly explained and evidenced in your application form.

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

- examples of areas that will be scrutinised include pupil numbers, staffing structure, and whether there are elements of the education vision and plan (such as extended provision) that would require financing and how these are reflected in your financial plans.

#### **G5: Provide sound financial plans that are based on realistic and evidenced assumptions about income and expenditure.**

You must:

- complete the template spreadsheets accurately;
- ensure that all required fields of the template spreadsheets are filled in;
- clearly state and evidence in your application form all the assumptions you have made in putting together your financial plans; and
- use, where appropriate, benchmarking data (e.g. school or local authority data) to ensure that the figures you have included are realistic.

**G6: For existing independent schools, show that the existing school has a good track record of financial management and explain any existing financial issues which could impact on becoming a Free School.**

You must:

- submit the school's audited financial statements for the last two years with your completed application form; or
- supply alternative evidence of financial viability if the school has not been open long enough to have two years' worth of audited accounts.

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

- you should tell us about any relevant financial issues and explain how you will seek to address them. You should expect to discuss these in greater detail in later stages of the application process. Examples of financial issues which may impact on becoming a Free School include running at an operating deficit or having outstanding loans, including mortgages.



## Section H: Premises

6.29 Finding a suitable site is an essential part of opening a Free School. As part of preparing your application you should investigate potential sites for your school. In your application we would like you to tell us about the sites you have identified.

6.30 We would like to know where you would prefer your school to be. In your application you should include details of up to two preferred sites that your proposed school could potentially open on. 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 Partnerships for Schools. Partnerships for Schools is the organisation appointed by the Department for Education to assist in finding and securing Free School sites<sup>17</sup>. Partnerships for Schools will assess the sites they visit for their suitability, availability, and the likely cost and duration of work required.

6.31 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 costs. Successful applicants will be provided with help to secure a suitable site for their Free School. Advice and guidance on how to find potential sites, as part of developing your application, is available from Partnerships for Schools by contacting them by e-mail.

6.32 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 government funding. If your application is approved, Partnerships for Schools will undertake negotiations on our behalf to acquire a site for your school.

6.33 **Please note** that if, after approval of your application it proves impossible to identify a feasible site, we may not be able to open your school in September 2013, simply because of the time required to prepare a site for opening. If this is the case, Partnerships for Schools will help you with your search for a site and we may consider working with you towards opening in 2014 or beyond.

6.34 Although this section of your application will not be assessed against any specific criteria, you should aim to provide us with the following information:

### Possible site options

6.35 Please provide brief details of the steps you have taken to search for suitable sites and what sites (if any) are available in the local area.

---

<sup>17</sup> From April 2012, Partnerships for Schools will become part of the new Education Funding Agency.

## Details of your preferred sites

6.36 Please set out for each of your preferred sites, if possible:

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

## Capital investment

6.37 Please detail any sources of funding available to you to support site acquisition.

6.38 Existing providers should not normally expect to receive any capital funding unless they plan to expand their pupil numbers. If existing providers are planning to expand their pupil numbers as a consequence of becoming an alternative provision Free School, they may be eligible for some limited capital investment.

## Free Schools in public and government buildings

6.39 When looking for potential sites we encourage you to consider surplus or under-utilised government and other public buildings. These have the potential to offer cost-effective solutions. A wide range of public buildings could provide suitable accommodation for a Free School, 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
- ambulance stations
- fire control centres

6.40 We have carried out detailed assessments including surveys and, where appropriate, pre-planning enquiries of six sites. We welcome applications to establish Free Schools on these sites. Information about the sites can be found via our [website](#) including location, size and the type of Free School for which each site might be suitable. They currently include two Department for Education buildings, Mowden Hall in Darlington and Castle View House in Runcorn, where there is potential to share the sites with us.

6.41 We will provide details of further properties as they become available. If you are interested in any of these properties please email [Partnerships for Schools](#).

6.42 Partnerships for Schools will provide you with further detail about these sites and will be able to advise you on how they might match your education vision. Furthermore, to assist you with searching for other available government and publicly owned sites, Partnerships for Schools has developed an online map browser that will allow you to explore potential government and other publicly owned buildings by entering your postcode. This can be found [here](#).

## **Section I: Due diligence & other checks**

6.43 We will be carrying out a number of checks, as part of the application process, on those applying to establish a Free School and any other person who will be involved in the management or running of a school. These checks will include due diligence checks, credit checks, and enhanced Criminal Records Bureau checks and may include police and other checks that may be necessary to ensure that only those who are suitable to do so are able to set up and run a Free School. Personal information provided as part of the application process, including the information requested below, may therefore be passed to third parties for these purposes.

6.44 In order to be able to carry out these checks we require applicants to provide certain personal information about themselves. The form is available [here](#).

6.45 We must receive these forms by 6pm on 24 February 2012. When completed please send the due diligence forms directly to the Due Diligence Team (see paragraph 7.3). These forms should remain separate from your main application and be submitted in hard copy only.

6.46 For the purposes of the Data Protection Act 1998, the Department for Education is the data controller for personal information supplied on these forms and for ensuring that this information is processed in accordance with the requirements of the Act. Any third parties processing personal information on behalf of the Department for Education will be acting as its data processors. 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 as part of the application process. All personal information supplied in these forms will be destroyed when it is no longer needed for the purpose of the due diligence process.

6.47 Applicants who refuse to provide any of the information requested may be asked to withdraw from the process and from any subsequent involvement in the Free School in order for the application to be considered.

6.48 It is our policy that where an applicant is judged to be unsuitable to be involved in the operation of a Free School, he or she may be offered the opportunity to withdraw from the application process. Where an applicant declines to withdraw, the application may be refused.

6.49 Where an application is refused on the grounds that an individual is deemed unsuitable, the applicants will be informed that it is not assessed to be in the interests of the Free Schools programme to progress the application with the involvement of that individual. Fuller reasons may not be provided.

## 7. Submitting your application

### How, where and when to submit

#### Sections A-H

7.1 **Sections A-H** require you to submit written information and two financial plans between 13 and 24 February 2012. Applications received after the deadline will not be considered. You need to submit **one copy by email to mainstream.fsapplications2013@education.gsi.gov.uk** and **two hard copies** by 'Recorded Signed For' post to:

Free Schools Applications Team  
Department for Education  
3<sup>rd</sup> 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 and completed in Arial font with a minimum font size of 12. Please bear in mind that your email must be smaller than 20MB. Please do not include photographs, images and logos in your application.

#### Section I

7.3 For due diligence purposes, you will also need to submit one hard copy of the **Section A** form and as many signed hard copies of the **Due Diligence form** as are required (each member and director of the company must complete and sign a form). The lead applicant or main contact should put these together in **one envelope** and return them by 'Recorded Signed For' post to the following address:

Due Diligence Team  
Department for Education  
4<sup>th</sup> Floor  
Sanctuary Buildings  
Great Smith Street  
London SW1P 3BT

7.4 Please remember that we must receive all of the documents that make up your application **no earlier than 9am on 13 February and no later than 6pm on 24 February 2012** in order for them to be considered<sup>18</sup>. Please use the checklist in **Annex D** of this document to ensure that you have provided all the information we need to assess your application.

---

<sup>18</sup> 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:

- For general advice, please contact the New Schools Network. The New Schools Network is an independent charity which receives funding from the Department for Education to provide free advice and guidance to Free School applicants.
- If you want to explore the best possible location for your Free School then support is available from the Free Schools Kit online tool developed by Partnerships for Schools.
- Advice and guidance on how to find potential school sites, as part of developing your application, is available from Partnerships for Schools by contacting them by e-mail.
- If you have any technical problems with this guidance, the Department for Education website or any of the forms, please contact the Department for Education by calling 0370 000 2288 or visiting 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 Free School application, including:

**Academies Financial Handbook:** [http://readingroom.ypla.gov.uk/ypla/ypla-academies\\_financial\\_handbook-gn-nov06.pdf](http://readingroom.ypla.gov.uk/ypla/ypla-academies_financial_handbook-gn-nov06.pdf)

**Behaviour and exclusions policies and guidance:**  
<http://www.education.gov.uk/schools/pupilsupport/behaviour/behaviourpolicies>

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

**Companies House:** [www.companieshouse.gov.uk/](http://www.companieshouse.gov.uk/)

**Department for Education Procurement Guidance for Free Schools:**  
[www.education.gov.uk/freeschools/b0073235/procurement-guidance-for-free-schools/](http://www.education.gov.uk/freeschools/b0073235/procurement-guidance-for-free-schools/)

**Equality Act 2010:** [www.legislation.gov.uk/ukpga/2010/15/contents](http://www.legislation.gov.uk/ukpga/2010/15/contents)

**Free Schools Indicative Budget Allocation Calculator:** School funding for 2012/13 and beyond is not yet decided because of wider work going on to reform the school funding system. This ready reckoner is therefore based on information relating to the 2011/12 academic year and provides **indicative information only**. It does not reflect the actual funding schools will receive from 2012/13 onwards.

<http://media.education.gov.uk/assets/files/xls/f/mainstream%20free%20schools%20ready%20reckoner%20tool.xls>

**Frequently asked questions about Free Schools:**

[www.education.gov.uk/schools/leadership/typesofschools/freeschools/freeschoolsfaqs](http://www.education.gov.uk/schools/leadership/typesofschools/freeschools/freeschoolsfaqs)

**Governance guidance:** [www.education.gov.uk/schools/leadership/governance](http://www.education.gov.uk/schools/leadership/governance)

**Model Free School funding agreements:**

[www.education.gov.uk/freeschools/a0074737/free-schools-model-funding-agreement](http://www.education.gov.uk/freeschools/a0074737/free-schools-model-funding-agreement)

**Model Free School memorandum and articles:**

[www.education.gov.uk/schools/leadership/typesofschools/freeschools/guidance/a0074737/free-schools-model-funding-agreement](http://www.education.gov.uk/schools/leadership/typesofschools/freeschools/guidance/a0074737/free-schools-model-funding-agreement)

**Information on existing Free Schools' projects:**

[www.education.gov.uk/schools/leadership/typesofschools/freeschools/b0066077/free-schools-opening-in-2011](http://www.education.gov.uk/schools/leadership/typesofschools/freeschools/b0066077/free-schools-opening-in-2011)

**New Schools Network:** <http://newschoolsnetwork.org/>

**Partnerships for Schools:** [www.partnershipsforschools.org.uk](http://www.partnershipsforschools.org.uk) . PfS have devised a Free Schools Kit - an online map browser that allows users to explore potential sites for their new Free School: This can be found here:

<http://fsk.partnershipsforschools.org.uk/default.htm>

**School Admissions Code and School Admissions Appeals Code:** we are revising both these codes at the moment. The new codes are due to come into force in February 2012 and will affect the allocation of places for children starting school in September 2013.

<http://www.education.gov.uk/schools/adminandfinance/schooladmissions/a00199845/departmental-response-to-the-consultation-on-changes-to-the-admissions-framework>

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

**Special Educational Needs Code of Practice:**

[www.education.gov.uk/publications/standard/publicationDetail/Page1/DfES%200581%202001#downloadableparts](http://www.education.gov.uk/publications/standard/publicationDetail/Page1/DfES%200581%202001#downloadableparts)

**Special Educational Needs Green Paper:**

[www.education.gov.uk/schools/pupilsupport/sen/a0075339/sengreenpaper](http://www.education.gov.uk/schools/pupilsupport/sen/a0075339/sengreenpaper)

**Top tips for 2013 Free School applicants at:**

[www.education.gov.uk/schools/leadership/typesofschools/freeschools/guidance/a0074965/how-to-apply-to-open-a-free-school](http://www.education.gov.uk/schools/leadership/typesofschools/freeschools/guidance/a0074965/how-to-apply-to-open-a-free-school)

## Annex A: Types of Free Schools

One of the aims of the Free Schools programme is to have genuinely new provision which helps create a more diverse and innovative school system. What is important is that you have a vision for a school that will improve the educational outcomes of its pupils **and** you have the capacity, capability and a plan to deliver this along with demonstrable demand.

In most cases the school you propose is likely to fall into one of the following four categories:

- **mainstream:** an all-ability school, which must cater for children of statutory school age, offer a broad and balanced curriculum and have admissions arrangements in line with the School Admissions Code;
- **16-19:** a school catering for pupils aged 16-19. The school does not have to offer a broad and balanced curriculum or comply with the School Admissions Code. Students can be selected, following an interview if desired, on the basis of prior achievement or other criteria;
- **special:** a school specifically organised to provide for children with statements of special educational needs, with a curriculum plan tailored to meet individual pupils' needs. Special Free Schools will be designated for a specific type(s) of special educational needs such as cognitive and learning needs; or
- **alternative provision:** a school catering principally for children of compulsory school age who may not otherwise receive suitable education. They offer high quality alternative provision for excluded children, severely bullied children, school phobics and refusers, early intervention for children with behaviour problems and others who require alternative provision for a time.

If your proposed Free School does not fit obviously into one of the types outlined above, you should apply using the application forms and guidance you think are closest to the type of provision you wish to offer. In most cases this will be the mainstream application guidance and forms.

For example, if a school wants to have pupils on its roll permanently (as opposed to short term placements) then it is not alternative provision (even if it wishes to offer an alternative curriculum) and you should follow the mainstream forms and guidance. If you want your school to offer a mix of provision which includes mainstream education then the mainstream form will normally be the most appropriate.

We have provided a grid below to help you pick which route best fits your proposed school. The key thing to think about is the type of pupils your school wishes to cater for and how you want to admit them. You should also include a short rationale at the beginning of the application under **Section C: Education vision**. This should set out what it is you wish to do and how you believe this



will improve educational standards for your pupils. It should set out which pupils you wish to cater for, their needs and how you plan to admit them.

If you submit a strong application which does fit within the current legal frameworks, we will still work with you to see what is achievable in terms of delivering your vision for a new school.

Type of Free School	Admissions	Curriculum	Funding
<b>Mainstream</b>	As for maintained schools and Academies, parents apply for a place for their child. Must comply with the School Admissions Code	Must be broad and balanced	Per pupil funding the same as for local authority maintained schools (including deprivation etc)
<b>16-19</b>	Must have fair and transparent admissions arrangements but do not have to comply with the School Admissions Code	Must meet the needs and interests of students but does not have to be broad and balanced.	Per pupil funding the same as for local authority maintained 16–19 schools (including deprivation etc)
<b>Special</b>	Predominantly pupils with statements of SEN placed by local authorities	Must be broad and balanced but can deviate from the National Curriculum where appropriate to do so	Per place funding of £10,000 plus whatever the commissioning body will pay to meet costs of provision
<b>Alternative Provision</b>	Referrals from commissioners (Academies, schools and local authorities)	Does not need to be broad and balanced but must cover at least age and ability appropriate functional elements of English, maths and ICT	For children of compulsory school age: per pupil funding is entirely from the commissioner at a level negotiated between them and the alternative provision Free School. Funding for 16-19 year olds can come from the commissioner or at the mainstream 16-19 per pupil funding rate.

## **Annex B: School funding overview**

### **Review of school funding**

The approach to and levels of Free Schools funding are currently being reviewed. The funding that schools will receive from 2012/13 onwards therefore has not yet been agreed. The information set out below and in the financial template is based on the Free Schools funding figures and approach used in 2011/12. This is likely to change, and therefore the information set out below and in the template should be considered 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 2012/13 onwards. For example, it is likely that levels of start-up funding will be lowered.

### **School funding explained**

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 the building.

### **Start-up funding**

Start-up funding is intended to bridge the gap between a school opening and there being pupils in each year group. This funding 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 start-up funding:

- formulaic funding; and
- staffing diseconomy funding.

Formulaic funding is based on a standard formula and will be the same for all schools depending on the number of pupils. This currently includes funding for books, materials and equipment, recruitment costs after you have opened and some initial senior staff training. These formulaic elements will automatically appear in the financial template once you have entered pupil and teacher numbers.

Staffing diseconomy funding is worked out on a school by school basis and is designed to help meet the costs of employing senior staff when the school opens. 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 500 pupils and is starting with 100 pupils will have 20% of its pupils in the first year, so might

expect diseconomy funding to cover up to 80% of the principal's salary in the first year.

Diseconomy funding should be used to fund only the minimum **essential** posts.

Please note that independent schools becoming Free Schools will **not** normally be eligible for any start-up funding.

## **Lead-in funding**

If your application is approved it is likely that you will be eligible for funding to help you get your school ready to open. This funding is known as lead-in funding. It can currently 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.

This funding is **not** covered by the financial template, and you do not need to include this as part of your application. We will discuss this with you if you are successful. As with all types of Free Schools funding, applicant groups will need to justify any need for funding, keep costs to a minimum and demonstrate how they have secured value for money.

## **Capital funding for existing schools**

Capital funding is not available for independent schools seeking to become Free Schools if there are no plans to expand provision. If you are wishing to expand provision we will consider whether capital funding may be made available. Decisions would be made on a case by case basis with strong supporting evidence required.

## **Funding for nursery provision**

Free Schools are also able to offer nursery provision if they wish, and may offer the 15 free hours a week to which every three and four year old, and the most disadvantaged two year olds are entitled. The funding you receive to establish your Free School and provide for compulsory age education cannot be used for this purpose. Rather, funding for free early education is provided by the local authority using each local authority's Early Years Single Funding Formula. If you are interested in offering nursery provision, you should speak to your local authority to find out whether you would be eligible for funding from them and how much you could receive. Subject to their funding agreement, Free Schools are also able, should they wish, to charge parents for early education above the 15 free hours.

## Annex C: Glossary of terms

**Academies financial handbook** – contains instructions for Academies regarding their funding and obligations towards accounting and reporting.

**Academy** – publicly funded independent schools, free from local authority control. 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 an Academy or Free School. 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 (also known as 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. Free Schools 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.

**Due diligence** - is an umbrella term for a number of checks that will be made on all those applying to establish a Free School. The checks enable the Department for Education to ensure that only suitable individuals are able to set up and run a Free School.

**Education Funding Agency (EFA)** – See YPLA

**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 Free Schools 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.

**Faith ethos** – If you want your school to have a distinct ethos based on a set of morals that are aligned with a particular faith and you want to make this explicit you can describe your school as having a faith ethos. This could then be reflected within the vision for the school, the values the school represents and the importance placed on particular beliefs. Religious education and collective worship cannot be provided in line with the faith ethos if this is anything other than Christian in nature.

**Faith Free Schools** – see religious designation

**Financial viability** – whether a school can survive in financial terms in the long-term. Free Schools must be able to balance their budgets. This means spending less than their income. In the start up period, income is currently per pupil funding plus an additional start-up 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.

**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 Trust’s Articles of Association.

**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.

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

**Lead-in funding** – funding provided to help set up the school before it opens. It can currently 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.

**Local Government Pension Scheme (LGPS)** - a nationwide public sector pension scheme administered locally for participating employers through 99 regional pension funds. Free Schools 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 Free School (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.

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

**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.

**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 designation** - if you want particular faith beliefs to be reflected in your staffing and admissions policies, the Department for Education requires that you seek something known as 'religious designation'. This is a legal recognition that your school has a religious character. In addition, you will need to ensure that when your school is entered on the Independent Schools Register, the entry reflects the fact that your school has a religious character.

You only need to do this if you intend to:

- provide religious education and collective worship according to the tenets of the faith of the school
- give preference when appointing teachers to those of the same faith as the school
- admit up to 50% of pupils on the basis of faith *if your school is oversubscribed*

You do not need to seek religious designation if you are not intending to recruit staff or admit pupils on the basis of faith, or to provide a specific form of religious education and collective worship.

**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** - mainstream Free Schools must comply with the School Admissions Code which is a statutory document published by the Department for Education and ensures equity and fair access for all. Applicants should note that a new version of the School Admissions Code is due to be published in early 2012. 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.

**Solvency/insolvency** – a company or individual is solvent if the value of its assets exceeds the value of any debts it might owe. Insolvency refers to the situation in which 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 period** – the period up to and including the first year the school has every pupil year group in place.

**Start-up funding** - 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 designate (head teacher) and buying books and equipment.

**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 pupils in each year group.

**Studio Schools** - an innovative new model of 14 to 19 year-old educational provision. They are small schools which deliver mainstream qualifications through project based learning and work placements. Students work with local employers and a personal coach and follow a curriculum designed to give them the employability skills and qualifications that they need in the world of work or further education.

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

**University Technical Colleges (UTCs)** - newly-established 14-19 Academies



that deliver technical education to engage young people and meet the needs of modern business. UTCs are sponsored by a local university and industry partner(s). They offer full time courses that combine practical and academic studies, and focus on disciplines requiring highly specialised equipment, for example, engineering, manufacturing with product design, construction, or agriculture.

**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.

**Young People’s Learning Agency / Education Funding Agency (YPLA/EFA)** - the YPLA currently funds all Academies (with funding provided by the Department) and also funds other training for 16-19s. YPLA will be closed under the Arms Length Body reorganisation and its functions will be provided by the new Education Funding Agency (an executive agency of the Department for Education) from April, 2012.

## Annex D: Application checklist

Checklist: Sections A-H of your application		
	Yes	No
1. You have established a company limited by guarantee	<input type="checkbox"/>	<input type="checkbox"/>
2. You have provided information to cover all of the following areas:		
<b>Section A:</b> Applicant details – including signed declaration	<input type="checkbox"/>	<input type="checkbox"/>
<b>Section B:</b> Outline of the school	<input type="checkbox"/>	<input type="checkbox"/>
<b>Section C:</b> Education vision	<input type="checkbox"/>	<input type="checkbox"/>
<b>Section D:</b> Education plan	<input type="checkbox"/>	<input type="checkbox"/>
<b>Section E:</b> Evidence of demand and marketing	<input type="checkbox"/>	<input type="checkbox"/>
<b>Section F:</b> Capacity and capability	<input type="checkbox"/>	<input type="checkbox"/>
<b>Section G:</b> Initial costs and financial viability	<input type="checkbox"/>	<input type="checkbox"/>
<b>Section H:</b> Premises	<input type="checkbox"/>	<input type="checkbox"/>
3. This information is provided in A4 format using Arial font, minimum 12 font size	<input type="checkbox"/>	<input type="checkbox"/>
4. You have completed two financial plans using the financial template spreadsheet	<input type="checkbox"/>	<input type="checkbox"/>
5. <b>Independent schools only:</b> you have provided a link to the most recent inspection report	<input type="checkbox"/>	<input type="checkbox"/>
6. <b>Independent schools only:</b> you have provided a copy of the last two years' audited financial statements or equivalent	<input type="checkbox"/>	<input type="checkbox"/>
7. All relevant information relating to Sections A-H of your application has been emailed to <a href="mailto:mainstream.fsapplications2013@education.gsi.gov.uk">mainstream.fsapplications2013@education.gsi.gov.uk</a> between 13 February and 24 February 2012	<input type="checkbox"/>	<input type="checkbox"/>
8. Two hard copies of the application have been sent by 'Recorded Signed For' post to: Free Schools Applications Team, Department for Education, 3 <sup>rd</sup> Floor, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, between 13 and 24 February 2012	<input type="checkbox"/>	<input type="checkbox"/>
Checklist: Section I of your application		
9. A copy of <b>Section A</b> of the form and as many copies of the Due Diligence form as there are members and directors have been sent by 'Recorded Signed For' post to: Due Diligence Team, Department for Education, 4 <sup>th</sup> Floor, Sanctuary Buildings, Great Smith Street, London SW1P 3BT, between 13 and 24 February 2012	<input type="checkbox"/>	<input type="checkbox"/>



© Crown copyright 2011

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or e-mail: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is also available for download at [www.education.gov.uk/publications](http://www.education.gov.uk/publications)