



Department  
for Education

# **Free schools: How to apply**

**Mainstream, 16 to 19, alternative  
provision and special free schools**

**March 2014**

# Contents

1. Things to know before you start	4
What has changed since the last application round?	4
Vision	4
Free schools: law and policy	6
2. Getting started	16
Organising your group	16
Establishing your academy trust	17
Financial accountability	18
Conflicts of interest	19
Recruiting governors	20
Existing single-academy trusts and multi-academy trusts applying for a new free school	21
Suitability of applicants and applications	21
3. Preparing and submitting your application	23
What happens when	23
Routes	23
The application form explained	24
Submitting your application	25
Section I	26
4. Application assessment and interviews	28
Assessment of your application	28
Interviews	29

Decisions and pre-opening	29
Appeals and reapplying	30
5. Support for applicants	31
Useful contacts	31
Further information and key documents	31
Annex A: Free school funding overview	33
Project development funding	33
School funding	34
Post-opening funding	34
Funding for nursery provision	36
Annex B: Glossary of terms	37
Annex C: Application checklist	47

# 1. Things to know before you start

## What has changed since the last application round?

1.1 **Pre-application registration form:** If you intend to submit a free school application in May 2014 (wave 7), you will first need to register with the Department for Education by completing the online [pre-application registration form](#). This should be completed no later than 5pm on Friday 4 April 2014.

1.2 We will then provide you with a unique registration number that you will need to quote when submitting your formal application.

1.3 If you would like to submit more than one free school application in wave 7 you will need to provide details for all your proposed schools and we will send you individual reference numbers for each of your applications.

1.4 Please note that if you are registering an interest in submitting a free school application, the information you provide, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes, primarily the Freedom of Information Act 2000 and the Data Protection Act 1998.

## Vision

1.5 We want to improve our education system so that all children thrive and prosper, regardless of their background. The free schools programme is helping us realise this vision. The programme introduces greater local choice by establishing new schools and increases competition to drive up standards. The programme is responsive to:

- the need for pupil places;
- the need for an alternative to low quality local provision; and
- local demand for new provision (including innovative and distinctive models).

1.6 To ensure that we establish high quality free schools, we place a great emphasis on:

- the capacity and capability of the proposer group, including:
  - relevant education and financial expertise
  - track record of proposers who run existing education provision
- the quality of the provision when the school is open, including:
  - the academic rigour and aspiration of the education offer

- strong governance structures and governing body
- the likelihood of being graded good or better by Ofsted in the first inspection.

1.7 We prioritise free school proposals from the strongest groups, and in particular in areas where new schools are needed most. Free schools must provide value for money, especially in periods when capital funding is limited.

1.8 There are four main categories of free school<sup>1</sup>: mainstream, 16 to 19, special and alternative provision (AP). You can find more information on the assessment criteria for each category of free school on the GOV.UK website. You can also find out about how to apply to establish a University Technical College or Studio School. This guidance contains a number of technical terms and you may find it useful to refer to the glossary in **Annex B**.

## What is a free school?

1.9 **Mainstream free schools** are state funded primary, secondary, middle or all-through schools that are independent of local authorities and are academies in law. They are funded on locally determined funding formulae in line with all other schools in the area. They are funded directly by the Education Funding Agency (EFA) on a per-pupil basis. Mainstream free schools are also able to offer nursery provision, though the funding for this is provided separately<sup>2</sup>.

1.10 **16 to 19 free schools** are stand-alone education institutions for the education of 16 to 19 year-olds. They are funded directly by the EFA on the basis of the national funding formula for 16 to 19 provision. We do not accept applications to set up 16 to 19 free schools from 11 to 16 schools that want to extend their existing school. 11 to 16 schools wanting to establish 16 to 19 provision should make an application to the Education Funding Agency (in the case of academies) or their local authority (in the case of local authority maintained schools, including voluntary aided and voluntary controlled schools).

1.11 **Alternative provision (AP) free schools** cater principally for children of compulsory school age on short term placements who are disengaged from mainstream education. They may also cater for 16 to 19 year olds. Children of compulsory school age

---

<sup>1</sup> When we use the word 'school' in this document, we are referring to all types of free schools, unless stated otherwise.

<sup>2</sup> Funding for up to 15 hours for 3 and 4 year-olds comes directly from the local authority (LA) and groups should make their own arrangements with the LA to coordinate payments. See **Annex A** for further information about funding for nursery provision.

can be referred to alternative provision free schools by local authorities, other schools and academies ('commissioners'). AP free schools receive £8k per pre-16 place from the EFA and negotiate top-up funding levels with the commissioners of pupil places. Students aged 16 to 19 can either be referred by commissioners or apply to the free school directly, where 16 to 19 funding arrangements will apply.

1.12 **Special free schools** are specially organised to offer educational provision for pupils with special educational needs (SEN). They are designated for specific type(s) of SEN. Once a school is open, approval from the Secretary of State would be required if the school wishes to change or extend its designation to cater for children with other types of SEN. A special free school can cater for statemented pupils, non-statemented pupils or a mixture of both<sup>3</sup>. Special free schools receive £10k per statemented place from the EFA and negotiate top-up funding levels with local authorities. Students without statements can either be referred by commissioners or apply to the free school directly, where mainstream funding arrangements will apply.

1.13 **Hybrids** are schools that do not fit obviously into one of the types outlined in this section. If you are proposing a hybrid school, you should apply using the application form and guidance you think are closest to the type of provision you wish to offer. For example, if you want pupils to be permanently on roll at your free school (as opposed to short term placements) your school will not be an alternative provision free school (even if it wishes to offer an alternative curriculum) and you should follow the mainstream form and guidance. If you want your school to offer a mix of provision which includes mainstream education, then the mainstream form may be the most appropriate.

1.14 If you submit a strong application that does not fit within any of the categories of free school described above, we will still work with you to see what is achievable to deliver your vision for a new school.

### **Free schools: law and policy**

1.15 Every free school must comply with the legal and policy framework which governs the development of the free schools programme. There are three main sources of legal requirements for all free schools:

- Independent School Standards legislation;
- The funding agreement; and

---

<sup>3</sup> The admission of children without statements is limited to those that have a type of SEN for which the school is designated. In addition, the admission of pupils without statements falls within the School Admission Code and will be regulated in the school's funding agreement.

- Relevant regulation and codes of practice specific to that type of school.

1.16 **Independent School Standards:** Mainstream, AP and special free schools are all academies, and as such, they are independent schools to which the relevant Independent School Standards apply. The Education (Independent School Standards) (England) Regulations 2012 are available [here](#). Though 16 to 19 free schools are academies, they are not legally schools and therefore are not covered by the Independent School Standards. They operate on a similar basis to sixth-form colleges, for example, in relation to admissions and the curriculum.

1.17 **The funding agreement:** Each free school will enter into a contract with the Secretary of State termed the ‘funding agreement’<sup>4</sup>. In order to receive funding from the Secretary of State, free schools must follow the arrangements and standards set out in the funding agreement. The model funding agreement documents can be found [here](#) and only in exceptional circumstances will the Secretary of State deviate from this model. A copy of the Academies Financial Handbook can be found [here](#). Academies and free schools must abide by this document and it is important that you understand this information.

1.18 **Sector specific regulations** are listed below.

1.19 **Mainstream free schools** must:

- Adopt fair practices and arrangements that are in accordance with the School Admissions Code, the School Admissions Appeals Code and the law on admissions as it applies to maintained schools. Free schools designated as having a religious character will have to balance the needs of children of the particular faith and children of other faiths or none. When oversubscribed, faith designated free schools will have to limit those pupils admitted solely on the basis of faith to 50% of their yearly intake;
- Follow the statutory assessment (i.e. testing) arrangements as they apply to maintained schools;
- Collect performance data, publish results<sup>5</sup> and be subject to Ofsted section 5 inspection under the same framework that applies to maintained schools;

---

<sup>4</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>5</sup> For secondary schools, this reporting currently includes the proportion of Key Stage 4 pupils attaining 5 or more GCSEs at A\*-C (or equivalent) including English and mathematics and English Baccalaureate results. As set out in the secondary school accountability consultation, published on 7 February 2013 and

- Have regard to the Special Educational Needs Code of Practice<sup>6</sup>; and
- Provide a broad and balanced curriculum<sup>7</sup> including the core subjects of English, mathematics, and science and make provision for the teaching of religious education and a daily act of collective worship.

#### 1.20 **16 to 19 free schools** must:

- Have admissions arrangements and criteria which are fair, objective and transparent. They are able to select pupils based on GCSE grades or other criteria. They do not need to admit students on the basis of the School Admissions Code<sup>8</sup>;
- Have a curriculum that is suitable for the requirements of the students but can include vocational, social, physical and recreational training;
- Encourage students to achieve English and mathematics GCSE A\*-C (or encourage students to take English and mathematics provision that will lead to significant progress towards GCSE A\*-C);
- Collect performance data, publish results and be subject to Ofsted inspection under the Common Inspection Framework; and
- Ensure equality of opportunity for students with any disability including learning difficulties that constitute a disability, have regard to the Special Educational Needs Code of Practice and do their best to make the provision children's special educational needs call for.

#### 1.21 **AP free schools** must:

---

government response published October 2013, value added progress scores will become a more significant performance measure over time. Therefore, schools may also wish to also make their Best 8 value added progress score available. For 16 to 19 free schools or free schools with sixth forms this reporting includes the percentages of students achieving the academic and vocational minimum standards

<sup>6</sup> Reforms to the SEN arrangements are due to come into force from September 2014, including a new SEN Code of Practice. Revised duties are set out in Part 3 of the Children and Families Act 2014. Mainstream free schools now have the same specific duties as other mainstream schools in relation to meeting the needs of pupils with SEN, including the requirement to have a SENCo who is a qualified teacher and holds appropriate specific qualification, to publish an SEN Information report and more generally to have regard to the SEN Code of Practice. They must do their best to make the provision children's special educational needs call for.

<sup>7</sup> The curriculum must (a) promote the spiritual, moral, cultural, mental and physical development of pupils at the school and of society, (b) prepare pupils at the school for the opportunities, responsibilities and experiences of later life and (c) include English, mathematics and science.

<sup>8</sup> These admissions arrangement apply to free schools that are 16 to 19 only and not to post-16 admissions into secondary schools.



- Admit children of compulsory school age by referral from local authorities, schools and academies using existing referral powers or duties. They do not need to admit students on the basis of the School Admissions Code;
- Collect performance data, publish results and be subject to Ofsted section 5 inspection under the same framework that applies to all publicly-funded schools;
- Have a majority of pupils who are of compulsory school age. You may also have 16 to 19 year old students, but they must be fewer than 50% of your pupils<sup>9</sup>. Students aged 16 to 19 can either be admitted by referral from local authorities, schools and academies or apply in the same way as they would to any other 16 to 19 provision;
- Have regard to the Special Educational Needs Code of Practice; and
- Offer a broad and balanced curriculum<sup>10</sup> including English and mathematics.

### 1.22 Mainstream, 16 to 19 and AP free schools do not have to:

- Follow the national curriculum;
- Employ teachers with Qualified Teacher Status<sup>11</sup>;
- Follow local authority term dates or standard school hours; or
- Comply with the provisions in the School Teachers' Pay and Conditions Document.

### 1.23 Special free schools must:

- Admit a child where the school is named in a child's statement, even if the child's SEN is not a type of SEN for which the school is designated;
- Admit pupils without statements in accordance with the School Admissions Code;
- Follow the statutory assessment (i.e. testing) arrangements as they apply to maintained schools;

---

<sup>9</sup> Any group where more than 50% of its pupils are aged 16 to 19 should apply to set up a 16 to 19 free school.

<sup>10</sup> The definition of broad and balanced for Alternative Provision free schools is different to that of mainstream. It must include English and mathematics as part of an appropriate, varied and stretching curriculum for the expected pupil cohort.

<sup>11</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.

- Collect performance data, publish results<sup>12</sup> and be subject to Ofsted section 5 inspection under the same framework that applies to all publicly funded schools. Since September 2007, special and mainstream schools have been required to submit data, using the P scales, for pupils aged 5 to 16 with SEN who are working below level 1 of the national curriculum. Attainment data (P scales) are needed for English, mathematics and science;
- Ensure all teachers have QTS; and
- Have regard to the Special Educational Needs Code of Practice.

#### **1.24 Special free schools do not have to:**

- Provide the national curriculum. The school will have to meet the requirements set out in pupils' statements and provide a curriculum which is broad and balanced for any pupils without statements. Consideration should be given to how pupils without statements can be enabled to access a broad range of subjects on a regular basis and recognition should be given to their achievements across the curriculum;
- Comply with regulatory requirements for the school workforce<sup>13</sup>; or
- Comply with the provisions in the School Teachers' Pay and Conditions Document.

1.25 As a matter of policy, we also encourage a diverse range of schools offering specialist provision, and welcome existing maintained and independent schools as providers of free schools. The following sections set out our policies for establishing schools with boarding, nursery provision, faith schools and independent school conversion.

## **Boarding**

1.26 It is possible for free schools of all categories to offer boarding provision. This means they can provide residential accommodation for some or all of their pupils. For

---

<sup>12</sup> For secondary schools, this reporting currently includes the proportion of Key Stage 4 pupils attaining 5 or more GCSEs at A\*-C (or equivalent) including English and mathematics and English Baccalaureate results.

<sup>13</sup> Special free schools and special academies fall within the definition of special school as set out in s337 of the Education Act 1996 as amended by the Academies Act 2010 (Schedule 2, paragraph 2). There are two main sets of regulations that set the standards for the school workforce: the Education (School Teachers' Qualifications) (England) Regulations 2003 and the Education (Specified Work) (England) Regulations 2012. Special Schools are not required to have a Special Educational Needs Co-ordinator (SENCO).

mainstream free schools and non-statemented pupils in special free schools, admissions arrangements must be in line with the boarding requirements set out in the School Admissions Code and fees may be charged to cover the cost of board and lodging only. For 16 to 19, special and alternative provision free schools, the School Admissions Code does not apply but the school must set out clear criteria for the admission of pupils to residential facilities. For alternative provision schools and statemented pupils in special free schools, the associated costs will form part of the commissioned rate.

## Nursery provision

1.27 Free schools are able to offer nursery provision if they wish and the government is keen to encourage more schools to offer nursery provision for younger children, whether directly or in partnership with private or voluntary early years providers. You should be aware that any revenue or capital funding provided by the free school programme can only be used to support compulsory school aged pupils (aged 5 and above). When completing your free school application you will need to demonstrate that the provision for compulsory school aged pupils is not dependent on any income or resource that you may gain from the nursery. Information on nursery funding is provided in paragraphs 5.15, 5.16 and 5.17 and [Annex A of the criteria for assessment](#) provides guidance on how to reflect this in your financial templates.

## Faith free schools

1.28 If you are proposing to set up a faith free school (either a school with a faith ethos or a school designated as having a religious character<sup>14</sup>) you should note that:

- All free schools are expected to be inclusive, for faith free schools this is reflected most clearly in their admissions arrangements, which can allow a maximum of 50% admissions by reference to faith. Your school must be designed to appeal to a wide range of parents and pupils, including those of other faiths or none.
- Free schools are, like all schools, subject to the Public Sector Equality Duty, which forms part of the Equality Act 2010. This duty requires you and your trustees, both in planning and running your school, to have regard to the need to eliminate discrimination, harassment and victimisation; advance equality of opportunity and foster good relations between communities.
- We will look for evidence that you have considered these responsibilities in your application and that your school will provide for and be attractive to parents and pupils from outside your faith community. You may find it helpful to consult the

---

<sup>14</sup> Definitions of faith ethos free schools and schools designated as having a religious character are in the glossary (**Annex B**).

guidance for schools on the Equality Act

<https://www.gov.uk/government/publications/equality-act-2010-advice-for-schools>.

- We will consider whether or not there are elements of your application that might deter parents of children of other faiths or none from applying, or could prevent their children from playing a full part in the life of the school. This could include lessons taught in community languages, large proportions of curriculum time devoted to faith-related studies, restrictive dietary requirements or the mandatory wearing of symbols or clothing associated with your faith.
- Your school must provide a meaningful alternative for pupils whose parents wish to withdraw them from religious education, collective worship or other faith-related studies;
- We will not approve any application where we have any concerns about creationism being taught as a valid scientific theory, or about schools failing to teach evolution adequately as part of their science curricula.
- And as part of the assessment process, we may also speak to representatives of the relevant faith denominations, including those who form part of the department's Faith Providers' Group, about the faith elements of your application.

**Please note that 16 to 19, AP and special free schools cannot be designated as having a religious character.** Applicants may seek to establish a distinct religious ethos or world view that is reflected within the vision and values of the school. However, they will not normally be able to appoint teachers on the basis of faith and will not be able to have faith based admissions arrangements for pupils.

### **Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE)**

1.29 In most cases, TUPE will not apply to new free schools. However, applicants are advised to take specialist advice and let us know if there are likely to be any potential TUPE issues. If TUPE is likely to apply, we would expect the existing provision to have been judged at least good in its last Ofsted inspection. If the rating is inadequate or requiring improvement then the application is unlikely to be approved and you may not receive feedback on all or part of the application. Where the existing provision is an independent school the requirements for independent schools in paragraph 1.30 below apply.

### **Independent schools, including existing AP and special institutions, becoming free schools**

1.30 Strong independent schools wishing to join the state sector may apply to become free schools. You need to make a case that your independent school will enhance choice and increase the number and quality of places locally. You will also need to show how you will use your best endeavours to admit numbers of children attracting the pupil

premium that are proportionate to such children resident in the local authority – for example by prioritising children who are eligible for the pupil premium in your admissions arrangements. If your independent school is approved to become a free school you must cease selecting your intake according to academic ability. You must demonstrate how your school can and will meet the needs of a new and different pupil population. If you have an existing AP institution that is educating five pupils full time or one pupil with a statement, your institution must be registered as an independent school before applying to become a free school.

1.31 As part of your free school application, you will need to:

- sign a declaration guaranteeing that you have disclosed all your financial liabilities;
- complete a self-assessment against the Ofsted section 5 criteria. We recommend that you get this self-assessment externally validated, ideally by a trained Ofsted inspector;
- have no significant outstanding issues on compliance in your most recent inspection report;
- provide a link to your most recent inspection report;

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:

- 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.

- demonstrate that you have a good track record of managing finances.

**1.32 Your independent school is unlikely to be approved unless you can prove it will provide good value for money and will be successful in the state sector.** When assessing your independent school application, we expect the benefits to justify any associated costs (in terms of capital investment, arrangements to deal with any existing liabilities and the fact that the state would have to pay for places previously paid for by parents). We will consider cost benefit trade-offs based on factors including:

- a good or outstanding (or equivalent) rating in your latest inspection;
- your plans to increase capacity and take on more pupils (either by filling existing vacancies or creating new places);
- the level of basic need and deprivation in your local area;
- the level of debt of your existing school;
- the size of capital investment needed; and
- results at KS2 (level 4+ and level 5+) and GCSE (5A\*-C including English and mathematics) that are at least equal to the local authority average in all of the last three years.

**1.33** We favour independent schools that can expand their pupil intake, either by filling vacant places or creating entirely new places on their existing sites. If your independent school has significant debts or requires large capital investment (which is unlikely given that your independent school will already be operating as a school), it is very unlikely to be approved.

**1.34** If your independent school passes the paper based assessment, your school will receive a visit from a DfE education adviser and/or an Education Funding Agency officer or officers prior to your interview. This visit will inform interview questions and the overall assessment of your application. All visits will take place after you have been invited to interview, but we may contact you prior to this to agree a date for a possible visit should you be invited to interview.

**1.35** We reserve the right to ask you to pay for an Ofsted Section 5 inspection as part of the assessment (in rare cases only).

## **Existing state or independent schools setting up new schools**

**1.36** We also welcome free school applications from existing schools with strong track records that wish to set up brand new schools. When assessing such applications we will look at the popularity and quality of provision at the existing school(s). We will also

assess the existing school(s)'s financial and governance record and capacity to set up a new school. **We expect the existing provision to have been judged at least good overall in its last Ofsted inspection and to have above average results at KS2 and GCSE (5A\*-C including English and mathematics)**

## **Small schools**

1.37 It is normally more difficult for small schools to provide a broad educational offer, become financially secure and offer good value for money. Therefore, if you are applying for a small school, you will need to make a very strong case to explain why you think your school will be able to overcome these challenges. Even if your application is approved, we may still ask you to consider expanding the proposed size of your school to ensure that we get the maximum value from the investment of capital funding and to improve the educational and financial sustainability of your school. Note that when we calculate capital costs, we work out the cost per pupil, so the smaller the school, the greater the cost per pupil.

## 2. Getting started

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

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

2.2 New Schools Network (NSN) is an independent charity which provides free advice and support to groups interested in applying to set up free schools. We strongly recommend that you contact them before drafting your application. Click [here](#) for a direct link to their website.

### Organising your group

2.3 Groups will need to organise themselves based on the skills, experience and time commitment of individual members, so that the group is deployed and governed in the most effective way. Groups may be able to identify external organisations or individuals who are willing to provide them with support free of charge.

2.4 You will need to demonstrate that your group has sufficient capacity and capability and a good track record to deliver your free school through pre-opening. In particular, this means you must have: the education expertise to build the school's education plan; finance expertise to create the school's financial plan; project management expertise to ensure the project's successful progress; and communications and marketing expertise to attract, build and maintain support among parents of prospective pupils.

2.5 If you identify any skills gaps, you may also appoint a third party to provide support through an open and competitive tender process. However, you **must not** enter into any contracts in the expectation of public funds. If you have been assisted in writing your application by any individuals or organisations that are not part of your trust, you should explain how you will secure such support if you are approved.



2.6 Each free school must be established on a solid legal footing and be underpinned by strong corporate governance arrangements, including for financial oversight. Each free school is run by an academy trust, a charitable company limited by guarantee, formed specifically to establish and run a school<sup>15</sup>. 'Limited by guarantee' means that the personal liabilities of the members who establish it are restricted. The academy trust is the body that submits the application to open the free school.

2.7 An academy trust is made up of members and trustees. The members are the trust's legal owners. They control the trust and are ultimately accountable to the Secretary of State for the performance and financial health of the free school. To set up your trust you will need three or more members, referred to as the 'founding members'.

2.8 The members appoint the trustees of the trust and you will need to name at least one trustee to set up your trust. The trustees are responsible for oversight of the day-to-day management of the trust and governance of the free school.

2.9 **A note on terminology** – The trustees of an academy trust are also known as the company directors. Where we refer to governors in this guidance, we are talking about your trustees (directors)<sup>16</sup>.

2.10 *Multi-academy trusts*<sup>17</sup> can create and delegate decision making powers to local governing bodies, to run individual academies, but the members of a local governing body are not automatically classed as trustees.

2.11 Members are not always governors, but can take on both roles so long as a majority of the governors are not also members. This ensures clear lines of accountability between the two groups running the trust.

## Establishing your academy trust

2.12 To establish your academy trust, your founding members will need to sign legal documents called a memorandum of association and articles of association. The articles set out the trust's constitution and provide a framework for its governance arrangements. The articles will be published as an annex to your trust's funding agreement, so it will be a public document once your free school opens.

2.13 The department's [model articles](#) take into account best practice in corporate, charity and school governance. For this reason the department expects proposer groups to establish their academy trust using the model articles before they apply to open a free

---

<sup>15</sup> This is a requirement under the Academies Act 2010.

<sup>16</sup> Charity Commission guidance on the role of trustees can be found [here](#).

<sup>17</sup> Multiple academies (including free schools) that are governed by one academy trust.

school. The department's guide to the articles explains the key provisions in the document, confirms which details you will need to add, and where the articles may be amended to reflect your group's characteristics and preferences.

2.14 You need to submit a completed model memorandum and articles of association to Companies House, along with an application to register a company and the relevant fee. Information on how to set up a company is available from Companies House. Additional guidance from NSN is available [here](#).

2.15 The department's model articles include a 'charitable object'. This means that your trust will become a charity from the moment it is registered with Companies House (the date of incorporation). Once your free school opens (on the first day of term) your company will become an 'exempt' charity. This means that it will be regulated by the Secretary of State, as are all academies. The Academies Financial Handbook provides more information on requirements on academy trusts resulting from this. You are not required to and should not register your company, its members or trustees (directors/governors) with the Charity Commission.

### **Financial accountability**

2.16 Academy trusts are subject to public accountability requirements. They must ensure public money is used effectively and comply with a number of legal requirements and UK government regulations.

2.17 All academy trusts must appoint an accounting officer, usually the principal, who is personally responsible to Parliament and to the accounting officer of the EFA for the resources under their control. They must establish appropriate financial management, governance and audit arrangements in accordance with the requirements of the Academies Financial Handbook. The EFA is responsible for providing assurance to Parliament that the funds it has provided to academies and free schools have been used for the purposes intended. Assurance is primarily sought and gained through the financial returns made by academies and free schools.

2.18 As companies limited by guarantee, academy trusts must prepare annual financial statements and submit them to Companies House within the required deadlines. The Academies Accounts Direction is published annually and sets out the form which academy financial statements must take, incorporating the requirements of company, charity and public sector financial reporting. The model free schools funding agreement requires academy trust financial statements to be audited by an external auditor and submitted to the Secretary of State via the EFA by 31 December each year.

2.19 Academy trusts must also submit an annual budget return to the EFA. As public sector bodies within the Department for Education accounting boundary, academy trust budget forecasts and financial results are consolidated into the EFA and the

department's forecasts and results for the purpose of providing expenditure estimates to Parliament and for the Whole of Government Accounts, a legal obligation on the UK public sector. The National Audit Office is the group auditor for the Department for Education.

2.20 These regulations require that all potential suppliers are given a fair opportunity to seek business and make competitive offers. Therefore, there can be **no guarantee** that organisations or individuals offering support in the preparation of applications will be offered contracts should the application be approved.

### **Conflicts of interest**

2.21 One of the most important tests of a trust's capability is how well it plans for and manages conflicts of interest. A conflict of interest can be defined as: 'Any situation in which a person's personal interests, or interests that they owe to another body, may (or may appear or be perceived to) influence or affect their decision making.'

2.22 Conflicts are most likely to arise when a trust is considering awarding a contract to an individual or organisation in which one of its members or governors has an interest. By considering your plans for contracting work (pre- and post-opening) you will be able to act before forming your trust and recruiting your governing body to minimise the risks of a conflict. This will include ensuring that:

- bodies that sponsor or promote schools do not derive a financial profit from doing so;
- any individual or organisation represented as a member of the trust, or with influence over the trust, understands that they will only be able to bid for contracts from the trust on an 'at cost' basis. This is in line with the approach taken by the department with approved academy sponsors;
- there is sufficient challenge within the trust, with independent members and governors, capable of holding suppliers to account;
- governors and members comply with the protocols set out at articles 6, 98 and 99 of the model articles. These protocols ensure that decisions are taken without bias and that individuals who are 'conflicted' take steps to avoid influencing a decision;
- the governors establish and maintain a register of interests to identify and record potential areas of conflict; and
- governors and members understand the need for all procurement to follow an open and fair competition. Our website provides guidance on procurement [here](#). The Academies Financial Handbook also includes guidance on conflicts of interest and appropriate procurement.

2.23 Conflicts of interest may also arise if family or other personal relationships between the individuals running an academy trust make it hard to hold an individual to account. For example, if a husband and wife were to take the roles of chair of governors and principal, it may be more likely that decisions will be influenced by shared interests or views, and not taken in the best interests of the trust.

2.24 It is important to note that even the *perception* of a conflict can create negative publicity and could affect your free school's reputation and ability to recruit pupils.

## Recruiting governors

2.25 The application process also asks you to confirm how many governors you will appoint, and to provide information on any individuals you have already appointed as governors. It may seem logical to assume that your project group will become the governing body, but the challenges of pre-opening are different to those faced by the governors of an open free school. No matter how vital a contribution you believe someone will make during pre-opening, you should not guarantee them a seat on your governing body. As a guide, a governor will be expected to:

- Have the confidence to challenge the principal and senior leadership team of the school; acting as a critical friend to maintain focus on improvement; and holding them to account;
- Use attainment and other data (in particular the new Ofsted [dashboard](#) and [RAISE online](#)) to assess the school's progress, strengths and weaknesses;
- Be independent of mind, with the confidence and experience to drive through change, for example in making the case for, and implementing the freedoms open to academy trusts around the curriculum and the school day;
- Use financial and workforce data to inform decision making about the trust's spending commitments, to ensure the trust makes appropriate and effective use of public money; and
- Maintain the highest professional standards as a governor, exemplifying the [seven principles of public life](#) as set out by the Nolan Committee.

2.26 The number of governors should be determined solely by the experience and skills needed to manage your academy trust and drive improvement in your free school. Large governing bodies should be avoided because they usually make focused discussion and clear decisions harder to achieve. Ofsted recommends no more than 12 governors.

2.27 In your articles, you will need to specify how many governors will be appointed by the members. You should also specify how many additional governors the governing

body will be able to appoint, using the co-option provisions in the articles (noting that co-opted governors cannot take part in decisions to co-opt other governors).

2.28 You may find that accommodating every stakeholder and supporter on the governing body takes you above 12 governors. However, there are other ways to engage people with expertise by using sub-committees and advisory bodies. For example, you might ask someone with HR experience to join a finance and resources sub-committee – or create informal advisory bodies to give a voice to community groups, parents or pupils.

2.29 You will not be expected to have filled your entire governing body by the start of pre-opening. A governor's term of office is four years, so it is better to take time in pre-opening to recruit high calibre governors than to rush to recruit unsuitable candidates. You can recruit your parent governors during the first term after opening. You will be expected to have carried out a skills audit to assess what strengths and gaps exist across your project group and any governors you have already appointed. Please note that all governors, however they are appointed or elected, must be formally appointed as directors of the trust; and that a person who is not a director of the trust cannot act as a governor.

### **Existing single-academy trusts and multi-academy trusts applying for a new free school**

2.30 As an existing academy trust you will already have articles of association in place, although you may need to move to the department's model multi-academy articles if you only currently run one school. You should not update your articles until you have been approved into pre-opening.

2.31 As an existing academy trust you will also have an established governing body and your members and governors will have a good understanding of their role and responsibilities. However, you will still need to demonstrate in your application that your trust has the capacity to put in place effective governance structures and to support and challenge your new free school, both through pre-opening and once it opens. Further details on the information we require can be found in the relevant **Assessment Criteria booklet**.

### **Suitability of applicants and applications**

2.32 The Secretary of State will seek to ensure that only suitable persons are permitted to establish publicly-funded free schools and will seek confirmation that no member or trustee of the academy trust has been barred from Regulated Activity. He will consider each application on its merits, and take into account all matters relevant to the application. He will reject any applications put forward by organisations which advocate violence or other illegal activities, or by individuals associated with such organisations. In

order to be approved, applications will need to demonstrate that those individuals who will act as members and governors, and the school itself, will ensure that principles are promoted which support fundamental British values, including: respect for the basis on which the law is made and applied in England; respect for democracy and support for participation in the democratic processes; support for equality of opportunity for all; support and respect for the liberties of all within the law; and respect for and tolerance of different faiths and religious and other beliefs.

## 3. Preparing and submitting your application

### What happens when

Application window	Likely Interview period	Successful applicants announced
9am on 5 May 2014 – 12 noon on 9 May 2014	23 June – 25 July 2014	Summer 2014

N.B. Current plans are for further application windows in September 2014 and January 2015.

3.1 If you are applying to set up multiple schools, you will need to specify the preferred opening dates for all your schools, and you may choose to stagger the openings.

3.2 Completed applications **must** be submitted to us within the application window shown in the table above. Please note that any applications received outside this time will be considered in the next round.

### Routes

3.3 There are two application routes:

- **Route 1** for applicants who have an open **free school** of the same type and phase or applicants who have a **free school** in pre-opening of the same type and phase; and
- **Route 2** for all other applicants.

3.4 The purpose of Route 1 is to avoid asking you to provide information that we have seen before. If you have previously been approved to open a free school, we still hold a copy of your previous application. Instead of asking you to duplicate information in all areas, you will need to provide a brief statement and commentary of significant differences between this application and your last approved application for most of the education plan section. We will also take into account the views of your DfE lead contact and your named education adviser, based on their experience of your educational model during pre-opening and, if applicable, when open.

3.5 If your group is proposing a different educational plan, you are free to submit a full Route 2 application. Indeed, groups will not be eligible for Route 1 if:

- they are establishing a different type of school (e.g. if they were previously approved to open a mainstream school and are now applying to open an AP school);

- they are establishing a different phase of school (e.g. if they were previously approved to open a secondary school and are now applying to open a primary school); or
- they operate a type of school that is not a free school (e.g. they are an academy sponsor that has not previously submitted a free school application). This is because we need more information than we currently hold to assess your application fairly.

3.6 If your group is applying through Route 1, you will be asked to submit:

- the vision for your school(s);
- a commentary on any differences between the education plan you previously submitted and this application;
- evidence of the need for your proposed school(s);
- evidence that your group can successfully manage (a) new school(s) in addition to your approved school(s);
- financial plans for your new school(s); and
- details of site options for your new school(s).

3.7 Most applicants will apply through Route 2, in which case they will be asked to complete each section of the application form in full.

3.8 Both routes will offer an opportunity to apply to open a single school or multiple schools. We will make it easier to apply to open **multiple schools** by asking you to complete one vision (as appropriate), one plan and one capacity and capability section to cover all the proposed schools. You will also complete separate sections for each school setting out the local context, evidence of need, the proposed site and full financial plans. If your group is seeking to open multiple schools, you will also be asked how they intend to successfully manage the demands of running more than one school.

### **The application form explained**

3.9 A free school application is made up of nine sections. Route 1 and Route 2 applicants need to supply slightly different information in the Section D (education plan).

3.10 In **Sections A and B** we are asking you to tell us about your group and provide an outline of the school. This requires the completion of the relevant sections of the Excel application form.



3.11 In **Sections C – F** we are asking for more detailed information about the school you want to establish and the supporting rationale. This requires the completion of the relevant sections of the Word application form.

3.12 In **Section G** we are asking specifically about costs, financial viability and financial resilience. This requires the completion of the relevant sections of the Excel budget template and Word application form.

3.13 In **Section H** we are asking for information about premises, including information about suitable site(s) you have identified. This requires the completion of the relevant section of the Excel application form.

3.14 **Section I** is about your suitability to set up and then run a free school. There is a separate Word form for this. For more information on Section I see paragraphs 3.27 - 3.32.

3.15 **Independent schools** (including privately run AP and special institutions) must include a link to their latest inspection report. They must also provide a self-assessment against the Ofsted Section 5 criteria by filling in the table in the Word application form. 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.

3.16 The **assessment criteria booklets** provide further information on the criteria we will use to assess your application.

3.17 All these documents can be found on the department's website.

### **Submitting your application**

3.18 You must submit **Sections A-H**, Word and Excel information, within one of the application windows for them to be considered.

3.19 You need to submit **one copy by email** to the relevant mailbox for your type of school:

- [mainstream.fsapplications@education.gsi.gov.uk](mailto:mainstream.fsapplications@education.gsi.gov.uk)
- [special.fsapplications@education.gsi.gov.uk](mailto:special.fsapplications@education.gsi.gov.uk)
- [alternativeprovision.fsapplications@education.gsi.gov.uk](mailto:alternativeprovision.fsapplications@education.gsi.gov.uk)

3.20 16 to 19 applications should be sent to the mainstream mailbox.

3.21 Please note that the size of your email should not exceed 9MB. Anything larger than this will not be delivered. If the application is larger than 9MB you should split the documents and send two emails.

3.22 You also need to submit **two hard copies** by **'Recorded Signed For'** post to:

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

3.23 It is essential that the hard copies you provide are identical to the electronic version that you email.

3.24 The Word application form should be: between 50 and 100 pages long; formatted for printing on A4 paper; completed in Arial 12 point font; and include page numbers. Annexes are excluded from the page limit and should be restricted to CVs and information about key individuals. Please do not include photographs, images and logos in your application (other than any demand map, if relevant).

3.25 The contents of the Excel templates are excluded from the page limit.

3.26 Please include the name of your school in the file name for both your Word and Excel templates.

## **Section I**

3.27 We carry out a range of checks on those proposing to set up and run free schools. These include due diligence checks, credit checks, and enhanced Disclosure and Barring Service (formerly Criminal Records Bureau) checks and may include police and other checks necessary to ensure the suitability of people to be part of the free school programme. Personal information provided as part of the application process, including the information requested below, may therefore be passed to third parties for the purpose of these checks. We will check members and trustees of the academy trust, lead applicants who are not a member or trustee of the academy trust and also principals designate, once appointed. The latter is a new requirement, justified by the crucial role that the principal will play in the free school.

3.28 In order for us to carry out the checks mentioned above, you will need to submit one hard copy of **Section A** (tab 1 of your Excel application form) and signed hard copies of the Section I Suitability and Declarations **Due Diligence forms** available [here](#), as required. We recognise that principals are appointed at different times so we request that you ask your principal to complete and submit a Section I form once you appoint him or her.

3.29 The **Section I** Suitability and Declarations **form** is required for each member, director and principal designate who has not submitted this form within the past 365 days, together with a list of those lead applicants, members, directors and principals

designate who have submitted Section I forms within the past 365 days. For example, if your application was unsuccessful in the previous round and you are reapplying with the same members, these members do not need to re-submit section I forms. The DfE reserves the right to request section I forms from any group if we deem it necessary.

3.30 The lead applicant or main contact should place a hard copy of the Section A form, Section I forms, and a list of any lead applicants, members, directors and principals designate who have submitted Section I forms within the last 365 days together in **one envelope** and return them by **'Recorded Signed For'** post to the following address:

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

3.31 Please remember that we must receive all of the documents that make up your application within one of the application windows in order for them to be considered<sup>18</sup>. Please use the checklist in **Annex C** of this document to ensure that you have provided all the information we need to assess your application.

3.32 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.

---

<sup>18</sup> Applicants should not submit additional supporting material after this date, although we reserve the right to request additional information.

## 4. Application assessment and interviews

### Assessment of your application

4.1 We will assess your application:

- against the criteria set out in the relevant assessment criteria booklet for your proposed type of school;
- against other mainstream, 16 to 19, AP and special free school applications as appropriate; and
- against a range of contextual factors including value for money and how your proposed school will make use of academy freedoms to improve standards in the local area.

4.2 It is essential that you read the relevant assessment criteria booklet for your type of school before starting your application<sup>19</sup>. Under each criterion we have included a description of what you should include in your application.

4.3 All criteria are important and groups should complete their entire application with care and consideration. Each criterion includes information you must provide in order for your application to be assessed. **If you do not provide this information for any of the criteria that are relevant to your application, it is likely that your application will not be considered further and you may not get feedback on the other sections.** For more information please read the relevant assessment criteria booklet.

4.4 In addition, if we judge that the information provided in any section of your application is weak when compared to the assessment criteria then it is likely that we will not assess the whole application and provide detailed feedback on all sections.

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

4.6 All applications will 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. For more information see paragraphs 3.27 to 3.32.

---

<sup>19</sup> If you are proposing a hybrid school, please use the assessment criteria booklet most relevant to your type of provision.

## Interviews

4.7 If your application is assessed as one of the strongest, we will invite your group to interview. Please see page 23 for the periods in which we expect to hold interviews.

4.8 Interviews will be tailored based on the quality of the application, and the strength and track record of the proposer group. In rare cases, if your application is exceptionally strong in all areas, we may approve your project without interviewing your group.

## Decisions and pre-opening

4.9 On page 23 we set out when we expect to announce decisions for the next round of applications.

4.10 If the Secretary of State decides your application should progress to the pre-opening stage, we will provide you with a dedicated point of contact from the Department for Education, along with support from the EFA to help secure a site and open your school.

4.11 **Please note that approval of your application does not mean approval of every detail, including your financial plans, preferred principal designate, proposed site, opening date or budget.** Approval may be conditional on amending certain aspects of your application.

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

4.13 We will provide a project development grant to groups whose applications are approved to the next stage. The amount of funding depends on the type of school. This grant is to help cover everything that groups will need to buy up to the point that the school opens. This will include the cost of any project management and education support required and other costs such as recruiting and paying a principal designate. The project development grant does not cover capital costs and this is funded separately. We will ask you to submit a budget plan to show how you will spend this money in pre-opening. We review these figures regularly and will look to make efficiency savings. For more detail on project development grant funding see **Annex A**.

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. In previous rounds, some applications have been approved after interview but then failed to progress sufficiently. In some cases a funding agreement could not be signed, the project did not go ahead and the school did not open. In other cases, the opening of the school had to

be delayed by a year. This demonstrates the immense importance and challenge of the pre-opening phase.

### **Appeals and reapplying**

4.14 Decisions by the Secretary of State are final and there is no formal appeals process.

4.15 If your application is not successful, you will receive a feedback letter giving information about the judgement. Unless we tell you otherwise, we would not expect a group to reapply in the very next application window. Instead, groups should allow themselves enough time to address their weaknesses and strengthen their application.

**4.16 If you are reapplying after being unsuccessful in a previous round, we expect you to demonstrate under the relevant section of your new application how you have changed your application in response to the written feedback you received. If this feedback is not addressed to our satisfaction, it is likely that your application will not be considered further, and you may not get full feedback on the application.**

## 5. Support for applicants

### Useful contacts

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

- For general advice, please contact [New Schools Network](#). New Schools Network is an independent charity which provides free advice and guidance to free school applicants.
- Advice and guidance on how to find potential school sites, as part of developing your application, is available from the EFA by contacting them by [email](#). This is the email address for premises queries and advice before you submit your application. There is a separate email address for any premises information you need to send once you have submitted your application; that email address is given in the Excel application form.

### Further information and key documents

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

[Academies Financial Handbook](#)

[Academies Spend Data \(for examples of academy finances\)](#)

[Behaviour and exclusions policies and guidance](#)

[Boarding schools, National Minimum Standards](#)

[Charity Commission guidance](#)

[Companies House](#)

[Department for Education procurement guidance for free schools](#)

[Education Funding Agency \(Capital\)](#)

[Education Funding Agency \(Revenue\)](#)

[Education Services Grant](#)

Equality Act 2010:

- [The Equality Act 2010](#)

- [Departmental advice regarding The Equality Act 2010](#)

### [Free schools Indicative Budget Allocation Calculator](#)

This ready reckoner is based on information relating to the 2013/14 academic year and provides illustrative information only. It does not reflect the actual funding schools will receive from 2015/16 onwards.

A ready reckoner tool for 16 to 19 funding is also available [here](#).

### [Governance guidance](#)

### [Information on existing free school projects](#)

### [Model free school funding agreements](#)

### [Model free school memorandum and articles](#)

### [New Schools Network](#)

### [School admissions appeals code](#)

### [School admissions code](#)

### [Schools benchmarking website](#) (for examples of maintained school finances)

### [Secondary School Accountability Consultation](#)

### [Seven Principles of Public Life](#)

### [Special Educational Needs Code of Practice](#)



## Annex A: Free school funding overview

### Project development funding

5.3 We will provide a project development grant to groups whose applications are approved to the next stage. This grant is to help cover everything that groups will need to buy up to the point that the school opens. This includes the cost of project management; education support; recruiting and paying a principal designate; pre-opening office costs and pre-opening insurance. This excludes site-related costs which will be paid by the EFA.

### Pre-opening grant funding (PDG)

5.4 Each project receives a pre-opening grant letter confirming the amount of the grant and conditions on how the academy trust can spend the money. The amount will vary depending on whether the trust is opening a secondary, primary, AP etc. Independent schools receive a much smaller allocation, reflecting the fact that they join the programme with much of their staff and other resources in place. Trusts opening a single school in an academic year will receive the full pre-opening grant (PDG) rate for the type of school they are opening. Trusts who have been approved to open more than one school in a given academic year will receive full PDG funding for the first school; however we expect there is scope for them to realise efficiencies in expenditure. They will therefore receive a reduced amount for each additional school – amounts are shown below. Areas where we might expect to see savings are project management; educational services; administration and office costs.

Type of school	PDG funding for first school opening in a given academic year	PDG funding for each additional school opening in a given academic year
Primary	£220,000	£150,000
Secondary and all-through	£300,000	£200,000
16-19	£250,000	£170,000
Special	£220,000	£150,000
Alternative provision	£220,000	£150,000
Independent converter	£25,000	£25,000

## School funding

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

5.6 All mainstream schools – including free schools and academies – are funded based on a local funding formula. Local formulae are revised before the start of each academic year. We expect to be able to provide final details of funding arrangements in the April before the start of the academic year to which they will apply. The information set out below and in the financial template is based on the most recent free school funding figures which will be a close proxy for future funding rates. However, you should note that information set out below and in the template is **illustrative** only. No guarantee can be given that the levels of funding set out in the template will be received when your school opens. If your application is approved, you will be expected to revise your budgets as your plans develop and to reflect any changes to the funding arrangements when they are known. Commissioned places in special and AP free schools have different funding arrangements and further details are available on the [GOV.UK website](#). Places for 16 to 19 pupils are primarily funded using a national formula and further details are also available on the department's website.

## Post-opening funding

5.7 Most new schools receive additional funding to reflect the additional costs of establishing new publicly-funded schools. New schools being opened as free schools will be provided with this funding through the post-opening grant.

5.8 The post-opening grant provides funding in two elements: per-pupil resources; and leadership diseconomies. These titles reflect the basis on which the funding is calculated.

5.9 **The first element (resources)** is paid annually as the school builds up to full capacity. It is paid at the following rate:

- £250 for each new mainstream place created in the primary phase (years Reception to 6); and
- £500 for each new mainstream place created in the secondary and 16 to 19 phases (years 7 to 13).

5.10 **The second element (leadership)** is paid annually as the school builds up to full capacity. The amount paid each year to mainstream schools with pupils aged 5 to 15 depends on how many year groups (cohorts) for pupils aged 5 to 15 (years reception to 11) are empty (i.e. are cohorts that will have pupils when the school is full but do not yet

have any pupils). Secondary and all-through schools with sixth forms do not include their sixth form cohorts in the calculation of leadership diseconomies funding. The amount received each year given the number of empty cohorts is set out in the table below. No school may receive more leadership diseconomies funding than the maximum amount given below. To note, if you recruit more than one year group within a single year, you will receive less than the maximum amount below.

Empty cohorts (R-Y11 only)	6+	5	4	3	2	1	MAXIMUM
Primary	£80,500	£67,500	£54,000	£40,500	£27,000	£13,500	£283,000
Secondary (regardless of whether the school plans to have a sixth form)			£125,000	£93,500	£62,500	£31,000	£312,000
All-through	£125,000	£93,500	£62,500	£54,000	£40,500	£27,000	£402,500

5.11 Post-opening funding is reviewed periodically to ensure value for money, so these figures should be used to provide an indication only.

5.12 Free schools exclusively for 16 to 19 pupils also receive £500 in resources funding for each new mainstream place created in the 16 to 19 phase. **16 to 19 free schools** that are building up and have an empty cohort in the first year will receive leadership funding in that first year only. The level of leadership funding is negotiated on a case by case basis with the expectation that it will normally be in the range £62,500 - £93,750. You should indicate in the budget planning tool what level of leadership funding within this range is necessary to ensure your 16 to 19 free school is viable on opening. You should also show how it provides value for money.

5.13 **Special and alternative provision free schools** receive £250 in resources funding for each new primary place and £500 for each new secondary place created (up until the school reaches capacity). The level of leadership funding is negotiated on a case-by-case basis and will normally be within the range £150,000 - £230,000. The distribution of leadership funding while the school is building up is subject to negotiation. You should indicate in the financial template what level of leadership funding within this range is necessary to ensure your special or alternative provision free school is viable on opening. You should also show how it provides value for money.

5.14 Please note that independent schools becoming free schools will not normally be eligible for any post-opening funding.

## **Funding for nursery provision**

5.15 Free schools are also able to offer nursery provision if they wish. Free schools may offer the 15 free hours a week to which all three and four-year-olds, and the most disadvantaged two-year-olds, are entitled. You will receive Educational Services Grant and an insurance grant allowance for any nursery pupils.

5.16 However, the funding you receive to establish your free school and provide for compulsory age education (children from the age of five) cannot be used for this purpose. 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.

5.17 Free schools are also able to offer nursery provision which exceeds any local authority free entitlement, including for under three-year-olds. Subject to their funding agreement, free schools may fund this by charging parents directly, or through a subsidiary company, or by contracting with an independent provider who levies charges. Free schools providing paid-for nursery provision should note that the pupils attending paid-for provision cannot be prioritised in admissions to the free school's primary school. Nursery pupils admitted to free local authority funded nursery provision through an admissions code compliant process can be prioritised in the primary school's admissions policy.

## **Annex B: Glossary of terms**

### **Academies Financial Handbook**

Sets out the duties and obligations of academy trusts which have a funding agreement with the Secretary of State, including in respect of financial management, governance and audit.

### **Academy**

Publicly funded independent educational institution free from local authority control. Free schools are legally academies. Other freedoms include setting their own pay and conditions for staff, freedom from following the national curriculum (for mainstream and special schools - 16 to 19 and alternative provision schools already have this freedom in the maintained sector) 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 (the academy trust).

### **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 while taking into account the teaching and practices of the other principal religions represented in England. 16 to 19 free schools have to provide weekly collective worship.

## **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. 16 to 19 free schools do not receive this funding.

## **Directors**

Directors of an academy trust are also known as trustees (see below)

## **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 us to ensure that only suitable individuals are able to set up and run a free school.

## **Education Funding Agency (EFA)**

The EFA (formed from the Young People's Learning Agency and Partnerships for Schools in April 2012) is part of the Department for Education. It currently funds all academies, maintained schools through local authorities, other training for 16 to 19s and learners with learning difficulties and disabilities between the ages of 16 and 25.

## **Education Services Grant (ESG)**

This grant is for central education services currently funded through local authority central spend equivalent. The ESG will be allocated on a simple per-pupil basis to local authorities and academies according to the number of pupils for whom they are responsible. 16 to 19 free schools do not receive ESG.

## **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, unless the school has also been designated as having a religious character (see religious designation). Faith ethos schools may not adopt faith-based admission arrangements.

## **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 post-opening period, income is currently per pupil funding plus an additional post-opening grant. When schools reach steady state, their income will be per pupil funding only.

## **Founding members of the company**

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

### **Free school meals (FSM)**

Whether children are, or have ever been, eligible for free school meals is frequently used as an indicator of deprivation, and is often used as a qualifier for calculating funding targeted at deprived students/areas/schools. No additional FSM funding is given for children aged 16 to 19.

### **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 pupils the FTE total would be 115. This is also relevant to staffing.

### **Funding agreement**

A legally binding contract between the academy trust and the Secretary of State that sets out the conditions and requirements upon which the academy trust is funded.

### **General Annual Grant (GAG)**

Otherwise known as 'per-pupil funding', this is an academy's annual expected funding. Schools are expected to cover all their running costs out of their GAG.

### **Governors**

See definition for 'Directors' above.

### **Governing body**

The body appointed by the members of the academy trust to oversee the day-to-day management of the school and hold the senior management team to account. The governing body must be constituted in accordance with the academy trust's articles of association. Governors must be registered as directors of the company with Companies House.

### **Grant funding**

A method of giving funds for a specific purpose and/or a limited amount of time.



## **Information and Communications 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.

## **Leadership grant**

Staffing element of post-opening grant.

## **Looked-after children**

Children who are in the care of the local authority.

## **Local Government Pension Scheme (LGPS)**

A nationwide public sector pension scheme administered locally for participating employers through 99 regional pension funds. 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 trustees 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.

### **Multi-academy trust (MAT)**

Multiple academies (which can include free schools) governed by one academy trust. Typically the multi-academy trust will delegate the day to day running of each individual academy to a local governing body.

### **Non-maintained special schools (NMSS)**

Are independent schools specially organised to make provision for children with SEN. They run by charities or charitable trusts on a not-for-profit basis and are approved by the Secretary of State under section 342 of the Education Act 1996.

### **Pedagogy**

Different styles and approaches to teaching.

### **Post-opening grant**

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

### **Post-opening period**

The period up to and including the first year the school has every pupil year group in place.

### **Procurement**

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

### **Project development funding**

Funding provided to help set up the school before it opens. It can 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.

### **Pupil premium**

The pupil premium is additional funding given to publicly-funded schools in England to raise the attainment of disadvantaged pupils and close the gap between them and their

peers. It is paid to schools according to the number of pupils who have been registered as eligible for free school meals at any point in the last 6 years; for 2014/15 the rate is £1,300 per primary pupil and £935 per secondary pupil. Children who are or have been continuously looked after by the local authority for six months or longer will also attract a pupil premium of £1,900. Children whose parents are currently serving in the armed forces will attract a premium, intended to provide support for their emotional and social well-being, of £300 per pupil. 16 to 19 pupils do not receive pupil premium funding. Pupil premium is paid directly to mainstream free schools; special and AP free schools will need to negotiate any funding with their commissioning bodies.

### **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 are proposing a mainstream school and want particular faith beliefs to be reflected in your staffing and admissions policies, we require you to seek 'religious designation'. This is a legal recognition 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; and/or
- give preference when appointing teachers to those of the same faith as the school; and/or
- 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.

16 to 19, alternative provision and special free schools cannot be designated as schools with a religious character.

## **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 other principal religions in the country.

## **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 we publish that ensures equity and fair access for all.

## **Special educational needs (SEN)**

In mainstream, AP or special free schools, children with a learning difficulty which requires additional, or otherwise different, educational provision than is offered more generally for children of their age. In 16 to 19 free schools this is known as LLDD (Learners with Learning Difficulties and/or Disabilities).

## **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. 16 to 19 and special schools do not need a SENCo.

## **Service children**

Children whose parents are in the armed forces. A premium has been introduced for children whose parents are currently serving in the armed forces; this is £300 in 2014/15. This service premium is designed to address the emotional and social well-being of these pupils.

## **Solvency/insolvency**

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

## **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 it decides, 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**

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

good communication and behaviour in the workplace. A link to the Studio Schools Trust website is [here](#).

### **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 principals.

### **Trustees**

Trustees 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 trustees of the company and registered with Companies House. It is possible for an individual to be a member and a trustee but we would expect most trustees of the company not to be members.

### **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. A link to the UTC website is [here](#).

### **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.

## Annex C: Application checklist

Name of task	Yes	No
1. Have you completed the <a href="#">pre-application registration form</a> by 5pm on Friday 4 April ?	<input type="checkbox"/>	<input type="checkbox"/>
2. Have you established a company limited by guarantee?	<input type="checkbox"/>	<input type="checkbox"/>
3. Have you provided information on all of the following areas:		
<b>Section A:</b> Applicant details	<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 need	<input type="checkbox"/>	<input type="checkbox"/>
<b>Section F:</b> Capacity and capability	<input type="checkbox"/>	<input type="checkbox"/>
<b>Section G:</b> Budget planning and affordability	<input type="checkbox"/>	<input type="checkbox"/>
<b>Section H:</b> Premises	<input type="checkbox"/>	<input type="checkbox"/>
4. Is the information in A4 format using Arial 12 point font, includes page numbers and is 50 to 100 pages (excluding annexes) in total?	<input type="checkbox"/>	<input type="checkbox"/>
5. Have you fully completed the budget plans?	<input type="checkbox"/>	<input type="checkbox"/>
6. Independent schools only*: have you provided a copy of the last two years' audited financial statements or equivalent?	<input type="checkbox"/>	<input type="checkbox"/>
7. Independent schools only*: have you provided a link to your school's most recent inspection report and completed a self-assessment form describing how your school would perform against the Ofsted Section 5 criteria	<input type="checkbox"/>	<input type="checkbox"/>
8. Reapplications only. If you are reapplying after being unsuccessful in a previous round, have you changed your application in response to the written feedback you received?	<input type="checkbox"/>	<input type="checkbox"/>

<p><b>9.</b> Have you sent an email (of no more than 9 MB in size**) with all relevant information relating to Sections A to H of your application to: <a href="mailto:mainstream.fsapplications@education.gsi.gov.uk">mainstream.fsapplications@education.gsi.gov.uk</a> within the window below?</p> <p>9am on 5 May 2014 and 12 noon on 9 May 2014.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>10.</b> Have you sent 2 hard copies of the application 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? (See guidance for dates and deadlines).</p>	<input type="checkbox"/>	<input type="checkbox"/>

*\*Independent schools include existing alternative provision and special school institutions that are privately run*

*\*\* If your application is larger than 9MB please split the documents and send two emails*

<p><b>Section I of your application</b></p>		
<p><b>11.</b> Have you sent:</p> <ul style="list-style-type: none"> <li>▪ a copy of Section A (tab 1 of the Excel template); and</li> <li>▪ copies of the Section I Personal Information form for each member, director and principal designate that has not submitted one of these forms within the past 365 days; and</li> <li>▪ a list of those lead applicants, members, directors and principals designate who have submitted Section I forms within the past 365 days</li> </ul> <p>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?</p> <p>(See guidance for dates and deadlines)</p>	<input type="checkbox"/>	<input type="checkbox"/>





Department  
for Education

© Crown copyright 2014

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 [www.nationalarchives.gov.uk/doc/open-government-licence](http://www.nationalarchives.gov.uk/doc/open-government-licence) or email [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.

Any enquiries regarding this publication should be sent to us at [www.education.gov.uk/contactus](http://www.education.gov.uk/contactus).

This document is available for download at [www.gov.uk](http://www.gov.uk)

Reference: DFE-00241-2013