

Transitioning to a Multi-Academy Trust Led System: What does the Evidence Tell Us?

Introduction and background

Over the last 20 years, the school system in England has evolved from a local authority (LA) led system to a system where nearly half of all schools are academies, run independently from the LA. Each academy is part of an academy trust.

In March 2022, the Schools White Paper set out the ambition for all schools to be in a 'strong' MAT with at least ten schools or 7,500 pupils by 2030. It also outlined proposals to allow LAs to establish new MATs in areas where too few 'strong' trusts currently exist. Following the publication of the White Paper, a new Schools Bill was introduced in parliament which aimed to create a consistent legal basis for regulating all academy trusts. A regulatory review was also launched to look at how 'strong' trusts are identified, how new trusts are commissioned and identify how trusts should be regulated. However, the Bill generated significant controversy and has now been dropped in its current form.

This report from the National Foundation for Educational Research investigates how the mainstream school system has evolved to date. It explores the pros and cons of pursuing an all-MAT system or in maintaining the current status quo. It also examines the role of LAs within the current school system and their views on the recent academisation policy proposals.

Key points

The current school landscape

- About 53 per cent of all mainstream schools are still LA maintained (two-fifths of primary schools compared to four-fifths of secondary schools). Secondary academies (at 64 per cent) are more likely than primaries (at 49 per cent) to be in trusts with fewer than 10 schools, including single academy trusts (SATs).
- Since 2015-16, the proportion of schools in trusts with at least 10 schools has more than doubled, while the proportion of schools in single academy trusts has declined by almost two-thirds.
- Most regions in England have academised over half of their schools. The exceptions are the North West, London, and the South East, where most schools remain LA maintained.
- Eighty-seven per cent of trusts with at least 2 schools have all their schools located in a single region. Only the largest trusts are more geographically dispersed, although a third of MATs with more than 30 schools still operate in a single region.
- Around 14 per cent of schools in MATs have an inadequate or requires improvement Ofsted rating, compared to around 7 per cent of LA maintained schools. This shows that, in line with government policy, most underperforming schools have now been moved into MATs.
- In 2021-22, about half of all new converter academies and sponsored academies became part of a MAT with fewer than 10 schools and almost two-thirds of single academy trusts (SATs) becoming part of a MAT, joined a MAT of this size. This shows the need to draw on trusts of all sizes to build MAT capacity.
- Schools are highly likely to join a MAT that already has a school in the same local authority. For example, among the schools who converted in 2021-22, around four-fifths joined a trust which already had a school within the same local authority.
- Schools with a faith ethos or designation have been slower to academise. Although the Government has committed to passing new legislation to remove barriers that prevent faith schools from joining trusts, it is not clear when or how such changes might be made now that the Schools Bill has been dropped.
- If the Government pursues ambitions for all schools to be in a MAT of at least 10 schools, it may need to consider facilitating an increase in the rate at which this can happen.
- A survey conducted by the NFER for this report found that around two-thirds of responding LAs were in favour of being able to establish their own MATs, while only 6 per cent were in favour of the Government's aim for all schools to be in a 'strong' MAT of at least 10 schools or 7,500 pupils by 2030. Although 65 per cent of respondents reported that their LA was somewhat or very interested in establishing their own MAT, only 39 per cent felt their LA was likely to begin the process of doing so in the next 3 years. This disparity between interest and intention may be partly due to concerns about funding the process.
- The LAs surveyed were not in favour of only allowing LA established MATs in areas with insufficient capacity among existing 'strong' trusts. Removing this barrier

Movement into and between trusts – current and future

- Primary schools have undergone 2 periods of rapid academisation, both driven by converter academies. The first was driven by the 2010 Academies Act, and the second by the 2016 Schools White Paper. Most secondary schools had academised by 2012-13. Since then, a fairly small number of secondary academies have opened each year. The COVID-19 pandemic further slowed the growth in academisation.



could encourage more resistant schools to academise and/or join a MAT, particularly if their relationship with the LA is the main reason for their reluctance to academise.

The key challenges in shifting to an all-MAT system

- If the Government pursues the target laid out in the original 2022 Schools White Paper for an all-MAT system by 2030, 25 LA maintained mainstream schools and 3 SATs would need to join a MAT each week. Pursuing this kind of rapid trust growth risks creating issues for trust quality, as it did during the initial rapid expansion of MATs. It could also lead to schools rushing to join a MAT which may be an inappropriate match.
- Although the Schools White Paper has revived interest in academisation, there may still be resistance. Over half of the LAs responding to the NFER survey said that maintained schools and SATs in their LA were against joining a MAT. Several LAs highlighted that some faith schools did not want to join the MAT which their relevant religious authority would allow them to join. They felt that this would be a significant challenge for academisation.
- There are many reasons why some schools may not be attractive to a MAT or may struggle to find a suitable MAT. For example, small, rural schools often face acute financial challenges and unique circumstances which established MATs have less experience of managing. Four-fifths of LA survey respondents were concerned that some schools in their area risked being left behind as MATs would be reluctant to take them on.
- The Government's ambition for all schools to be in a MAT of at least 10 schools, or 7,500 pupils, is based on the assumption that bigger MATs benefit from economies of scale in terms of education outcomes and financial management, and that a system with more scale will be easier to regulate. Although there might be a theoretical argument for larger trusts, there is a lack of evidence on the optimal size of a trust for achieving good pupil outcomes and financial efficiency.
- The English school system is complex and there are numerous examples of school groups and structures for whom academisation poses specific challenges (such as faith schools or federated schools). These schools face particularly complex considerations if and when they come to academise which may require tailored and distinct approaches to academisation.
- Because of the clear differences in the regional academisation rates of mainstream schools, trust make-up, and the performance of trusts, the challenge of creating sufficient capacity within MATs is intensified at a local level. Some LAs (e.g., the 29% which have over 90% of their mainstream schools academized) may be nearing a 'tipping point' of academisation in terms of financial viability and system efficiency. However, less than a tenth of surveyed LAs felt it was no longer financially viable to retain their LA schools and most reported that they were not in favour of powers to force their remaining maintained schools to academise.
- Academisation involves costs for LAs, schools, and trusts. In September 2022, LAs surveyed by the NFER highlighted that schools and LAs already face considerable funding challenges and that they would need additional funding to support more schools academising each year. Although the Government has

since announced an additional £2.3bn for schools in 2023-24 and 2024-25, there is no new money for the current financial year.

- LAs were also concerned that academisation would divert attention and funding from other pressing priorities, such as special educational needs and disabilities (SEND) provision, COVID-19 recovery and planning for the imminent demographic decline in primary pupil numbers. On the other hand, funding challenges may also prove to be a catalyst for academisation. For example, schools facing financial challenges may seek to academise to reduce costs.
- LAs expressed concern about the implications of government proposals for their responsibilities and powers in future and want more clarity about their future role. Some noted that academisation may compromise strong school support networks which already exist in their areas. They felt that some schools may stop engaging with local school improvement networks once they join MATs.
- The most significant education-related challenges reported by LAs in the survey relate to ensuring SEND pupils have appropriate support in the most appropriate setting and planning for the current demographic decline in primary pupil numbers. LAs' formal powers have not kept pace with academisation in these areas. For example, while an LA can ask a trust to close or reduce their role to help accommodate demographic changes, school trusts are not compelled to accept the request.
- Although the DfE has a diagnostic framework to identify MAT capacity, it is not clear how this will be reformatted to effectively assess trust quality. This is crucial for driving capacity to support full academisation and ensuring that lower performance within trusts is improved going forward.
- A key challenge is how 'strong' trusts should be identified - this is the focus of the regulatory review currently being undertaken by the government. An additional core challenge for establishing a regulatory framework will be ensuring that it can be implemented in accordance with trusts' funding agreements which currently depend on when a trust was established. Some trusts may need to accept amendments to their funding agreements. The ongoing regulatory review addresses these questions, although it has not yet published its recommendations. It is vital that this review is prioritised to support the development of an effective national regulatory framework.

Conclusions

- Considering the issues outlined above, the Government should prioritise a slower transition which would provide more time to build MAT capacity and ensure the transition is supported by the appropriate resources and policy solutions for all schools joining a 'strong' MAT.
- There are still important issues which the Government will need to work through even if the current status-quo is maintained. These include completing the regulatory review and establishing an appropriate regulatory framework, defining, and supporting the development of 'strong' trusts and ensuring that LAs have powers commensurate with their responsibilities.

The full documents can be downloaded from:

<https://www.nfer.ac.uk/transitioning-to-a-multi-academy-trust-led-system-what-does-the-evidence-tell-us/>