

EDUCATION AND ADOPTION BILL

EXPLANATORY NOTES

What these notes do

These Explanatory Notes relate to the Education and Adoption Bill as introduced in the House of Commons on 03 June 2015 (Bill 4).

- These Explanatory Notes have been prepared by the Department for Education in order to assist the reader of the Bill and to help inform debate on it. They do not form part of the Bill and have not been endorsed by Parliament.
- These Explanatory Notes explain what each part of the Bill will mean in practice; provide background information on the development of policy; and provide additional information on how the Bill will affect existing legislation in this area.
- These Explanatory Notes might best be read alongside the Bill. They are not, and are not intended to be, a comprehensive description of the Bill. So where a provision of the Bill does not seem to require any explanation or comment, the Notes simply say in relation to it that the provision is self-explanatory.

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Overview of the Bill

- 1 This is a bill that will make provision about schools in England that are causing concern, including provision about their conversion into academies and about intervention powers; and that will make provision about joint arrangements for carrying out local authority adoption functions in England.

Policy background

- 2 The Bill takes forward a range of Government commitments which are intended to improve education for all children and adoption services for some of the most vulnerable children in England.
- 3 The measures in the Bill will enable the Government to intervene more swiftly in failing schools. It also ensures that intervention is possible in a new category of schools, labelled 'coasting schools', where such intervention is deemed necessary.
- 4 The measures in the Bill would enable directions to be given requiring local authorities to make arrangements for their adoption functions to be carried out by another adoption agency. This will result in adoption functions being carried out on a larger scale by fewer individual agencies, and consequently, will result in a greater pool of approved adopters with whom to match vulnerable children.

Legal background

Education

- 5 The legislation on intervening in maintained schools is set out in Part 4 of the Education and Inspections Act 2006. It sets out the circumstances in which maintained schools become eligible for intervention, the intervention powers of Local Authorities and the Secretary of State respectively, and the powers of the Secretary of State to require Local Authorities to intervene.
- 6 The Education and Inspections Act 2006 will continue to be the main Act dealing with intervention in maintained schools and this Bill inserts new provisions into that Act and amends certain existing provisions.
- 7 The legislation on the making of Academy orders is contained in the Academies Act 2010 at:
 - a. sections 3 to 8, which set out the means and process by which maintained schools convert to Academy status and the effect of conversion; and
 - b. paragraph 10 of Schedule 1 which concerns the power of the Secretary of State to make a direction about land held by a Governing Body, a Foundation Body or Trustees.
- 8 The Academies Act 2010 will continue to be the main Act dealing with the conversion of maintained schools to Academy status and this Bill amends the Act by inserting new provisions and replacing an existing provision.

Adoption

- 9 The legislation governing adoption agencies and their functions is set out in Part 1 (the Adoption Service) of the Adoption and Children Act 2002. Part 1 provides for local authorities to maintain an Adoption Service to meet the needs of certain people in their area, provides that, as part of that Service, local authorities must provide facilities for the provision of

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adoption support services, and provides for a general power to regulate adoption agencies.

- 10 The Adoption and Children Act 2002 will continue to be the main Act governing adoption agencies and their functions and this Bill inserts a new provision into that Act and repeals the current section 3A (recruitment, assessment and approval of prospective adopters).

Territorial extent and application

- 11 The provisions in this Bill extend to England and Wales and apply in relation to schools and local authorities in England only.

Commentary on provisions of Bill

Clause 1: Coasting schools

- 12 Clause 1(2) amends section 59 of the Education and Inspections Act 2006 (meaning of “maintained school” and “eligible for intervention”) so as to provide that the meaning of “eligible for intervention” includes coasting schools.
- 13 Clause 1(3) inserts new section 60B into the Education and Inspections Act 2006. Section 60B creates an additional category of school “eligible for intervention” for local authority maintained schools that are “coasting”. It includes a power enabling the Secretary of State to define in regulations what “coasting” means. The new clause also provides that a school is eligible for intervention if the Secretary of State has notified the school that it is coasting and has not subsequently notified them that the school is no longer considered to be coasting.

Clause 2: Performance standards and safety warning notices

- 14 Clause 2 amends section 60 of the Education and Inspections Act 2006 (performance standards and safety warning notices).
- 15 Under section 60 only local authorities may give a warning notice to the governing body of a maintained school, and clause 2 gives the power to the Secretary of State as well.
- 16 Clause 2(2)(b) and (c) sets out how a maintained school may become eligible for intervention after a warning notice has been given. It allows the person giving the warning notice to set the period for compliance by the governing body, in place of the current fixed period of 15 working days from the giving of the warning notice. As a consequence of the removal of the representations procedure by clause 2(2)(h), and the changes made by clauses 2(4) and 2(5), the beginning of the time when it is possible to exercise the powers to appoint additional governors (under s 64 of the Education and Inspections Act 2006) and to suspend the right to a delegated budget (under s 66 of that Act) is determined by reference to the compliance period specified in the warning notice.
- 17 Clause 2(2)(e) inserts new subsection (4A) into section 60. This provides that if the local authority are notified that the Secretary of State has given a warning notice then the local authority may not give a warning notice unless the Secretary of State tells them that they may.
- 18 Clause 2(2)(e) also inserts a new subsection (4B) into section 60. This provides that if the Secretary of State gives a warning notice to a governing body any prior warning notice given by the local authority to the same governing body ceases to have effect.
- 19 The governing body's entitlement to make representations against the warning notice to the local authority, and the local authority's obligation to consider those representations, is removed by clause 2(2)(h).
- 20 Clause 2(6) removes the power of the Secretary of State, found in section 69A of the Education and Inspections Act 2006, to direct a local authority to give a performance standards and safety warning notice. This is because as a result of the amendments in clause 2 the Secretary of State can now give these notices.
- 21 Clause 2(7) omits the definition of working day from section 73 (Interpretation of Part 4) as it is redundant as a result of the other amendments made by clauses 2 and 3.

Clause 3: Other warning notices

- 22 Clause 3 amends section 60A of the Education and Inspections Act 2006, which makes provision for teachers' pay and conditions warning notices.
- 23 Clause 3 sets out amended conditions to be satisfied for a maintained school to be eligible for intervention under section 60A. It removes the 15 day period within which the governing body must comply with a warning notice and instead allows the local authority to specify a period for compliance.
- 24 Clause 3(2)(d) inserts into section 60A(6) a requirement on the local authority to give a copy of a teachers' pay and conditions warning notice to the Secretary of State at the same time as they give the warning notice to the governing body.
- 25 Clause 3(2)(e) removes the entitlement and procedure by which the governing body may make representations to the local authority. As a consequence of the removal of the representations procedure, by clauses 3(3) and 3(4) the start of the time limits for exercising the power to appoint additional governors (under s 64 of the Education and Inspections Act 2006) and the power to suspend the right to a delegated budget (under s 66 of that Act) respectively is determined by reference to the compliance period specified in the warning notice.
- 26 Clause 3(5) removes the power of the Secretary of State to direct a local authority to give a teachers' pay and conditions warning notice.

Clause 4: Power to require governing body to enter into arrangements

- 27 Clause 4 inserts a new section 66A into the Education and Inspections Act 2006 to give the Secretary of State the power to give a governing body of a maintained school notice requiring it to take specified action to secure improvement of the school's performance. This power can only be exercised in relation to a maintained school that is eligible for intervention, though not if the school is eligible for intervention by virtue of failure to comply with a teachers' pay and conditions warning notice under section 60A. Local Authorities already have a similar power at section 63 of the Education and Inspections Act 2006.
- 28 The notice under new section 66A may require the governing body to contract with another party (for example, the governing body of another school) for the provision of advisory services, to collaborate with another maintained school or further education body, or to form or join a federation of maintained schools under section 24 of the Education Act 2002. Section 66A(2) sets out consultation requirements the Secretary of State must comply with before giving a notice under section 66A.
- 29 If the school is eligible for intervention further to a performance standards and safety warning notice under section 60 of the Education and Inspections Act 2006, this power can only be exercised within two months from the end of the compliance period specified in the warning notice in accordance with section 60(1)(b).

Clause 5: Appointment of interim executive members

- 30 Clause 5 amends Schedule 6 to the Education and Inspections Act 2006 by inserting a new paragraph 5A which provides that where an interim executive board (IEB) is to be appointed by the local authority, the Secretary of State may give directions about who is to be appointed, the size of the IEB, the terms of appointment of the members of the IEB, and the termination of the appointment of any members made by the local authority.

Clause 6: Interaction between intervention powers

- 31 Clause 6 amends the Education and Inspections Act 2006 to provide for how the intervention powers of the Secretary of State and local authorities are to interact with one another.
- 32 Clause 6(2) amends section 64 (which is concerned with the appointment by local authorities of additional governors) by removing subsection (1A) which stops a local authority from appointing additional governors of a maintained school where, in specified circumstances, the Secretary of State has exercised the power to appoint additional governors under section 67. This limitation is no longer needed because of the changes made concerning the interaction of the powers of the Secretary of State and local authorities made by clause 6(3).
- 33 Clause 6(3) inserts new sections 70A, 70B and 70C into the Education and Skills Act 2006.
- 34 New section 70A requires local authorities to notify the Secretary of State before they exercise their powers to require a governing body of a maintained school to enter into arrangements (under section 63) , to appoint additional governors (under section 64) , or to suspend a governing body's right to a delegated budget (under section 66). There is no need for a local authority to notify the Secretary of State before they exercise their power to intervene under section 65 (appointment to provide for governing body to consist of interim executive members) because the existing legislation already requires them to obtain the Secretary of State's consent before exercising the power under section 65. Section 70A also requires the Secretary of State to notify the local authority before exercising any of the powers to require a governing body to enter into arrangements, appoint additional governors, direct the closure of a school or provide for the governing body of a maintained school to consist of interim executive members.
- 35 New clause 70B restricts the use of a local authority's intervention powers where the Secretary of State has notified the authority that the Secretary of State intends to exercise any of the powers of intervention to require a governing body to enter into arrangements, appoint additional governors, direct the closure of a school or provide for the governing body of a maintained school to consist of interim executive members. A local authority so notified must not exercise that same power in relation to the same school unless and until the Secretary of State notifies them that they may.
- 36 New clause 70C allows the Secretary of State to take over responsibility for arrangements in connection with interim executive members appointed by a local authority. Where the Secretary of State takes this responsibility, the local authority's notice to the governing body of the maintained school that it is to consist of interim executive members is treated as having been given by the Secretary of State; and anything done by the local authority in exercise of its powers in relation to the interim executive board as set out in Schedule 6 to the Education and Skills Act 2006 is treated as if done by the Secretary of State.

Clause 7: Duty to make Academy orders

- 37 Section 4 of the Academies Act 2010 permits the Secretary of State to make an Academy order which enables the conversion of a maintained school into an Academy in two circumstances; firstly on the application of a school's governing body; and secondly if the school is eligible for intervention within the meaning of section 59(2) of the Education and Inspections Act 2006 (schools subject to warning notices, and those requiring significant improvement or special measures).
- 38 Clause 7 amends section 4(1) of the Academies Act 2010. It places a duty on the Secretary of State to make an Academy order in respect of a maintained school that is eligible for intervention by virtue of the fact that the school has been found to require significant

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improvement or special measures (under section 61 or 62 of the Education and Inspections Act 2006).

- 39 Clause 7(3) further amends section 4 to provide that the Secretary of State will retain discretion as to whether to issue an Academy order in other circumstances where a school is eligible for intervention either because it fails to comply with a warning notice (under section 60 or 60A of the Education and Inspections Act 2006) or where it is identified as “coasting” (in accordance with the new clause 60B of the Education and Inspections Act 2006 to be inserted by clause 1 of this Bill).

Clause 8: Consultation about conversion generally

- 40 Clause 8 replaces existing section 5 of the Academies Act 2010. Replacement section 5 retains the requirement that a governing body of a school proposing to convert to an Academy must consult those they think appropriate about whether the school should convert to an Academy; but it provides no such consultation requirement if a school is eligible for intervention and subject to an Academy order which has been made under section 4(A1) or (1)(b) of the Academies Act 2010 (schools eligible for intervention).

Clause 9: Consultation about identity of sponsors in certain cases

- 41 Clause 9 inserts a new section 5A into the Academies Act 2010. The new section applies to a foundation or voluntary school with a foundation that is subject to an Academy order under section 4(A1). In relation to those schools, the Secretary of State is under a duty to consult the trustees of the school, the person or persons by whom the foundation governors are appointed, and in the case of a school which has a religious character, the appropriate religious body, about the identity of the person with whom the Secretary of State intends to enter into Academy arrangements. New section 5A does not cover Academy orders under section 4(1)(b) because there is already a similar, but slightly broader, requirement to consult before making such an Academy order (see section 4(1A)).

Clause 10: Duty to facilitate conversion

- 42 Clause 10 inserts a new section 5B into the Academies Act 2010. The new section provides that where a school is the subject of an Academy order under section 4(A1) or (1)(b), the governing body and its relevant local authority must work towards the school’s successful conversion into an Academy by taking all reasonable steps necessary to that end.
- 43 New section 5B also says that if a sponsor has been identified with a view to the sponsor entering into Academy arrangements with the Secretary of State to run the school as an Academy, and the Secretary of State has notified the school that the Secretary of State is minded to enter into academy arrangements with that person, the governing body must take all reasonable steps to facilitate the making of Academy arrangements with that particular sponsor.

Clause 11: Power to give directions to do with conversion

- 44 Clause 11 inserts a new section 5C into the Academies Act 2010. The new section provides that the Secretary of State may direct the governing body of a school which is eligible for intervention and subject to an Academy order under section 4(A1) or (1)(b), or its local authority, to take specified steps to facilitate the conversion of the school into an Academy. Examples of the steps that a direction may require a governing body or local authority to take include those in connection with a transfer scheme under section 8 (transfer of certain property, rights and liabilities) of, or Part 1 of Schedule 1 (transfer of land) to, the Academies Act 2010. The new section provides that a direction may include a time period within which the steps must be taken.

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Clause 12: Power to revoke Academy orders

- 45 Clause 12 inserts a new section 5D into the Academies Act 2010. The new section allows the Secretary of State to revoke any Academy order issued under section 4(A1) or (1)(b) of the Academies Act 2010 (schools eligible for intervention), for example if the Secretary of State decides it would be better to direct the local authority to close the school. The Secretary of State is required to give a copy of any such order to everyone whom the Academy order was given by virtue of section 4(4) of the Academies Act 2010.

Clause 13: Local authority adoption functions: joint arrangements

- 46 Clause 13 inserts a new section 3ZA into the Adoption and Children Act 2002. Section 3 of the 2002 Act requires each local authority to maintain within their area an adoption service designed to meet the needs, in relation to adoption, of, and provide facilities for: children who may be adopted; their parents and guardians; persons wishing to adopt a child; and adopted persons, their parents, natural parents and former guardians. Local authorities may provide those facilities by securing their provision by other local authorities and registered adoption societies (defined in section 2(2) of the 2002 Act). Only local authorities and registered adoption societies may make arrangements for adoption (sections 92 and 94 of the 2002 Act).
- 47 The new section 3ZA gives the Secretary of State a new power to direct one or more local authorities in England to make arrangements for any or all of their specified adoption functions to be carried out on their behalf by one of the local authorities named or by another adoption agency. The Secretary of State can either name which adoption agency should carry out these functions, or instruct the local authorities to determine who should carry out the functions. If the local authorities are instructed to determine who should carry out the functions, they may decide to set up a new voluntary adoption agency to do this. Alternatively, they may prefer to make arrangements for one of the local authorities named in the direction to do so on behalf of the others, or they may make arrangements with a different local authority or voluntary adoption agency. The section also enables the Secretary of State to give a direction to any local authorities to terminate these arrangements.
- 48 In the direction, the Secretary of State can list which adoption functions the arrangements should relate to. The functions that can be specified in a direction are functions in relation to: the recruitment of persons as prospective adopters; the assessment of prospective adopters' suitability to adopt a child; the approval of prospective adopters as suitable to adopt a child; decisions as to whether a particular child should be placed for adoption with a particular prospective adopter; and the provision of adoption support services, including carrying out an assessment of need. The functions that can be included in a direction given by the Secretary of State can be amended by regulations. In a direction, the Secretary of State can also make different provision for different purposes. For example, the Secretary of State can direct that arrangements should be made for specific functions to be carried out on the local authorities' behalf in relation to a particular group of children, for example recruitment of adopters for disabled children.
- 49 Clause 13(3) removes section 3A of the 2002 Act and replaces it with a new section 3ZA. Section 3A was introduced to address the failure of the system to recruit enough adopters for the children waiting for adoption; consequently, the Secretary of State's power under this section is limited to functions relating to prospective adopters. Section 3ZA is designed to be used in a different way, to direct local authorities to come together to make arrangements for one regional adoption agency to carry out a wide range of adoption functions on behalf of a number of local authorities. The functions that can be included under a section 3ZA direction are therefore wider than those under section 3A. In addition to functions relating to prospective adopters, they also include functions in relation to decisions about placing a

particular child with a particular prospective adopter and the provision of adoption support services. A further important distinction between a direction under section 3A and a direction under section 3ZA, is that under section 3ZA, local authorities can be directed to determine for themselves who should carry out the specified functions on their behalf, which would give them a greater role in the restructuring of the system.

Clause 14: Consequential repeals

- 50 Clause 14 provides that, in consequence of the amendments made by this Bill, the following are omitted -
- a. paragraph 6(2) and (3) and 11 of schedule 13 to the Apprenticeships, Skills, Children and Learning Act 2009;
 - b. sections 44(3) and 56 of the Education Act 2011;
 - c. section 4 of the Children and Families Act 2014.

Clause 15: Transitional, savings and consequential provision

- 51 Clause 15(1) allows the Secretary of State to make transitional or saving provision. Clause 15(2) allows the Secretary of State to make consequential amendments to legislation passed before or in the same Session as the Bill. Regulations making consequential amendments to an Act are subject to the affirmative procedure; other regulations making consequential amendments are subject to the negative resolution procedure.

Commencement

- 52 Clauses 15, 16, 17 and 18 come into force on the day of Royal Assent.
- 53 Clauses 1 to 14 will come into force on days appointed by the Secretary of State in commencement regulations. The regulations will not be subject to parliamentary procedure.

Financial implications of the Bill

- 54 The Bill is intended to improve the overall quality of education received by children in England and improve the efficiency of adoption services.
- 55 Swifter intervention in all failing schools and some coasting schools will need to be paid for from the Department for Education's budget and is therefore likely to result in an increase in public spending. The cost of any additional intervention will be considered as part of the normal Budget and Spending Review process. The Department for Education also hopes that by making the process of intervention swifter through this Bill it will make some efficiency savings.
- 56 The Bill is intended to improve the efficiency of adoption services and to increase the scale at which services are operating. This is expected to lead to longer term savings for local authorities through efficiency gains as they realise economies of scale and through improvements in the timeliness of adoptions. The Department for Education will be providing some financial support for transition to regional adoption agencies.

Parliamentary approval for financial costs or for charges imposed

57 A money resolution will be required to authorise expenditure on the administrative expenses described in paragraphs 55 and 56 above (financial implications of the Bill).

Annex A - Territorial extent and application

| Provision | England | Wales | | Scotland | | Northern Ireland | |
|---------------|--|--|--------------------------------------|----------------------|--------------------------------------|------------------------------|--------------------------------------|
| | Extends to E & W and applies to England? | Extends to E & W and applies to Wales? | Legislative Consent Motion required? | Extends to Scotland? | Legislative Consent Motion required? | Extends to Northern Ireland? | Legislative Consent Motion required? |
| Clauses 1- 13 | In Full | No | No | No | No | No | No |

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