

## APPENDIX 3

### Academy Levels Criteria and Procedure

#### Assessment

The level of autonomy of the Academy will be assessed on the basis of academic and financial measures.

Academic performance will be assessed at the end of each academic year by the Board of Directors on the basis of a Self-Assessment Report and validation meeting chaired by a Director.

Grading system to be aligned with Ofsted grading categories (Outstanding, Good, Requires Improvement, Inadequate).

Financial performance to be assessed on the basis of the end of year financial outturn, compared with the agreed financial budget for the year in question – three categories:

A = surplus achieved (at least 1.5% of income)

B = a surplus (less than 1.5% of income)

C = a deficit either in the current year or projected for future years.

#### Level 1 Academy

If the Academy achieves or self-assesses as a grade of Outstanding or Good for academic performance **and** financial performance category A, the Academy will be a Level 1 Academy.

#### Level 2 Academy

If the Academy achieves or self-assesses as at least Good for academic performance and financial performance category B, it will be deemed to be a Level 2 Academy.

If an Academy's academic performance is assessed as Good but financial performance is assessed as category C, Directors will review the financial management performance of the academy together with financial forecasts before determining whether the academy should be assessed as level 2 or 3.

#### Level 3 Academy

If the Academy's academic performance is 'requires improvement'/'inadequate' and financial sustainability is deemed to be weak (i.e. category C above) there will be very limited delegation of financial authority. The Academy will be Level 3 Academy.

Appendix 8 (Delegated Authority) will be completed to reflect the position of Directors in determining delegation to the LGB in this instance.

#### Level 4 Academy - New Schools with no previous trading history (Free Schools or similar)

In the case of a brand new school delegation of financial responsibility through an assessment of prior experience is not possible. The Trust would want to make sure that the school is supported centrally over the first three years of its operations as a minimum. Consequently, whilst there would

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be every expectation that the Head teacher and LGB were involved in the financial planning and management of the school, for the first three years of operation financial delegation will be limited.

**Appendix 8** will be completed to reflect this limiting of financial authority.

#### **Movement Between Levels**

At Directors' discretion movement between levels will be determined by an annual end of year review of academic and financial performance along with the consideration of other relevant factors.

The emphasis of the process will always be on supporting academies to gain higher level of autonomy. The Trust will ensure that the Academy receives the relevant support in relation to school improvement work including all aspects of training and support (e.g. financial management training) to improve academic and financial performance and achieve higher level of independence.