

SURREY COUNTY COUNCIL

CABINET

DATE: 21 OCTOBER 2014



REPORT OF: MRS LINDA KEMENY, CABINET MEMBER FOR SCHOOLS AND LEARNING

LEAD OFFICER: ANN CHARLTON, DIRECTOR OF LEGAL AND DEMOCRATIC SERVICES

SUBJECT: SURREY EDUCATIONAL TRUST

SUMMARY OF ISSUE:

The Surrey Educational Trust was established as a Company Limited by Guarantee in 2010, to distribute a proportion of the earnings generated through the joint venture between Surrey County Council and Babcock 4S. The purpose of the Trust is to provide support to Surrey state funded schools, educational projects and organisations for the benefit of children, young people and learners from Surrey. This report asks Cabinet to note how those funds have been distributed to date.

RECOMMENDATION:

That the Cabinet notes the projects funded through the Surrey Educational Trust to date.

REASON FOR RECOMMENDATIONS:

Reporting the activity of the Trust to Cabinet demonstrates a continuing investment in improving outcomes for Surrey's children and young people. It also ensures greater public accountability and transparency about how the funds are used to support projects of an educational nature. To date the funding allocated to the Trust by the County Council totals £1,213,003.07.

DETAILS:

1. On 1 April 2004, Surrey County Council and VT Education and Skills Limited formed a joint venture company (VT Four S Limited, now Babcock 4S) for the delivery of educational services to the local authority, Surrey schools and beyond.
2. As part of this new approach, the opportunity existed to develop an Educational Trust, which could benefit from a proportion of the earnings generated by the joint venture and use those funds to support projects of an educational nature, primarily in Surrey. This would facilitate resources being channelled towards specific needs in Surrey and enable new approaches to those needs.
3. The Surrey Educational Trust (the Trust) was set up in August 2010 as a company limited by guarantee with trustees appointed as follows:

- Two appointed by Surrey County Council;
 - One Headteacher from each of the Primary, Secondary and Special phases within Surrey as nominated by the relevant Phase Council;
 - One Surrey Governor as nominated by the Surrey Governors' Association;
 - Two appointed by Babcock 4S; and
 - One appointed by the Professional Associations/Trade Unions.
4. The purpose of the Trust is to provide support to Surrey state funded schools, educational projects and organisations for the benefit of children, young people and learners from Surrey aged 0 years up to 25. The Trust offers funding to projects that will support one or more of the following criteria: educational innovation and research; attainment and achievement for educational excellence; and/or broadening horizons and increasing aspiration.
5. The Trust invites bids up to twice a year from Surrey state funded schools, educational projects and organisations. The Trust allocates grants to projects across the county in line with its criteria (outlined in paragraph 4), with a particular focus on those supporting the core themes of:
- Leadership development.
 - Extending educational opportunity.
 - Increasing young people's resilience and personal growth.
 - Modern Foreign Languages.
 - English as an Additional Language.
 - Promoting Science, Technology, Engineering and Mathematics.
6. Since the creation of the joint venture, the County Council has contributed funding to the Trust each year from its share of the dividend, following the general principle suggested at the time of its creation – that the Trust receives the lesser of £250,000 or 50% of the Surrey share of net distributable profits per year.
7. On 9 October 2013 the Leader took a decision to allocate £250,000 of the 2011/12 dividend. The County Council's continued support through an allocation from the 2011/12 dividend ensured that the Trust has adequate funding available to support projects during the next two planned funding rounds in 2014 and 2015.
8. To date the Trustees have awarded grants to a total of 25 projects, equating to £360,775. The finances of the Trust are set out below:

Initial Funding	£848,503.07
Dividend Received 2010-11	£114,500.00
Dividend Received 2011-12	£250,000.00
Grants Paid	-£360,775.00
Current Available Balance	£852,228.07

9. A list of the projects funded to date is included as **Annex 1** of this report. The Trust expects to award a similar amount of funding for each of its biannual funding rounds, this is approximately £150,000. However, this is dependent on the quantity and quality of applications received.
10. The Trust has supported a number of projects that have directly benefited Surrey students and their families. These projects have included a diverse set of activities, aimed at promoting positive education and social care outcomes. These are highlighted by the following case studies:

Case Study 1: Scientific Surrey 2013

11. The Trust contributed £25,000 to SATRO in February 2013, in order to assist the organisation in delivering its programme of events to raise the profile of science, technology, engineering and mathematics. A series of one day whole school events saw the participation of 4,823 Surrey students and the contribution of approximately 625 hours by business volunteers.
12. SATRO also held an annual Festival of Science and Engineering. Schools were invited to exhibit their science and engineering projects for the chance of winning prizes. The exhibits came from science clubs, GCSE, GNVQ, Diploma, AS and A2 projects and had all been built during the current school year. Pupils from primary and secondary schools that were not exhibiting were also invited to attend the event. Companies including Virgin Media demonstrated how science and engineering can help pupils in their future careers. After the event, SATRO gathered feedback that demonstrated 93.2% of the students were more likely to continue their studies in STEM as a result of attending.

Case study 2: Chelsea's Choice

13. The Trust awarded £25,000 to a joint project between Surrey Police, Surrey County Council and the Surrey Safeguarding Children Board (SSCB) in June 2013. This enabled Surrey secondary schools to access, at no cost, 'Chelsea's Choice', a production highlighting the very serious and emotional issues of child sexual exploitation. This production enabled the audience, (both pupils and teachers) to gain a better understanding of the devastating impact that sexual exploitation has on a young person's life, giving them some skills and knowledge to be able to protect themselves and others from this form of abuse.
14. The production was delivered to approximately 40 secondary schools in Surrey. In addition there were a number of performances targeted at those not currently attending a mainstream education provision.

Case study 3: GASP Motor Project

15. The Trust awarded £9,000 to the North West Surrey Short Stay School to offer hands-on 'AQA Unit Award accredited' courses in basic motor mechanics for young people (14 - 19 year olds), in Surrey. The programme provided an alternative learning facility for at risk and marginalised young people with a focus on those who are at risk of becoming Not in Education, Employment or Training (NEET), and those with special educational needs (SEN). They were tailored to maximize the benefits for these hard to engage young people. By teaching practical skills in a safe, supervised environment, GASP helped them change their behaviours, appreciate the value of teamwork, and prepare for the world of work.

16. A total of 18 pupils have participated in the course to date, with 83% completing the AQA Accreditation and 4 pupils achieving a Laser Level 1 Award. Whilst participating, attendance has been consistently high, indicating that pupils enjoy working in the workshop environment and engaging in the projects. From the pupils' daily point sheets, which record behaviour and engagement, these have been consistently good. In many cases pupils who have found it difficult to attend school have excelled in the programme and attended 100%.

Future steps for the Trust and ensuring long-term sustainability

17. There has been a lot of interest in the Surrey Educational Trust, with a large number of schools making contact to discuss possible projects and/or submit bids. It is anticipated that the demand will remain high and further projects meeting the Trust's criteria will be identified during future bidding rounds.
18. The Trust will work with Babcock 4S and Surrey County Council in encouraging schools to continue making innovative bids in line with the Trust's criteria. It would also like to invite the Cabinet and other Members to give consideration as to how they can champion the Surrey Educational Trust and the work it supports, in order to raise its profile and highlight the opportunity it presents for schools and students across Surrey.
19. In order to increase income while interest rates remain low — with the advice of the Council's finance department — the Trustees are considering alternate secure investment vehicles for an amount of up to £600,000, while keeping the sum of £252,228.07 invested with the Council to fund projects which may be approved during this year.

CONSULTATION:

20. Views have been sought from the Strategic Director for Children, Schools and Families and the Cabinet Member for Schools and Learning. Both also act as the County Council's nominated trustees on the Surrey Educational Trust.

RISK MANAGEMENT AND IMPLICATIONS:

21. Although the Council is currently the sole donor to Trust funds, as an independent body, the Surrey Educational Trust and its finances are not directly controlled by the Council. Reporting the activities of the Trust to the Cabinet ensures that its activities are transparent and publicly accountable. As a company limited by guarantee, the Trust is required to file annual accounts to Companies House. The Trust is also subject to the Council's internal audit measures, as a grant making body supported by the Council. An internal audit into Trust Funds, which included the Surrey Educational Trust, was undertaken in December 2013.

Financial and Value for Money Implications

22. There are no direct financial implications as result of noting this report. However, it does serve to evidence that the funds the Council has allocated to the Trust to date have been invested for the direct benefit of Surrey schools and residents.

Section 151 Officer Commentary

- 23. The operation of the Trust and its finances are independent of the County Council, although the council provides administrative, legal and financial support to the trust. The distribution of the dividends between the council and the Trust is determined on an annual basis.

Legal Implications – Monitoring Officer

- 24. Surrey Educational Trust is a separate legal entity from Surrey County Council and grants made from any funds allocated to the Trust are awarded by its trustees in accordance with the purposes of the Trust. Any funding provided to the Trust cannot be used to deliver any of the Council’s statutory duties, but provides complementary support designed to encourage educational innovation and research and attainment and achievement for educational excellence. The Council’s Legal and Democratic Services provides legal and company secretarial support to the Trust which operates as a company limited by guarantee and in accordance with Companies Acts.

Equalities and Diversity

- 25. All the projects identified by the Trust will clearly benefit children or young people. Other projects specifically assist children and parents with English as a second language or those with special educational needs and the Trust has also funded research projects to develop excellence in autism practice across both mainstream and special schools.

Corporate Parenting/Looked After Children implications

- 26. No significant implications arise from this report, although projects funded by the Trust may help to support the Council’s corporate parenting role, and provide additional opportunities to Surrey’s looked after young people through local education projects.

Safeguarding responsibilities for vulnerable children and adults implications

- 27. The Trust has previously provided funding for a project submitted by the SSCB, directly supporting the Council’s safeguarding responsibilities. This project focussed on increasing awareness of child sexual exploitation in schools, an area that was considered a targeted priority for the SSCB in 2013/14.

Public Health implications

- 28. The Trust has previously supported projects that directly link to the objectives of Public Health, for example around promoting healthy eating and cookery in primary schools.

Climate change/carbon emissions implications

- 29. The Trust has previously supported a number of projects looking at the environment (e.g. Forest School) and science, with a potential link to educating young people around climate change.

WHAT HAPPENS NEXT:

The Trust is due to meet on 25 October 2014 to finalise the timescales for its next funding round. This will run from November 2014 – January 2015, with decisions being made in February 2015.

The Trust will produce a report for Cabinet on an annual basis.

Contact Officer:

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Consulted:

Strategic Director for Children, School and Families (also a Trustee of the Trust)

Cabinet Member for Schools and Learning (also a Trustee of the Trust)

Annexes:

Annex 1 – Summary of Projects Funded 2013/14

Sources/background papers:

Surrey Educational Trust – List of projects awarded funding to date

Governance arrangements for the Surrey Educational Trust Criteria for funding from the Surrey Educational Trust

Surrey Safeguarding Children Board – Annual Report 2012-2013