

Our Ref: Pete Mumford / Gavin Bultitude  
Date: 8<sup>th</sup> February 2017  
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**LMS Document  
No. 2017/05**

Dear Academy/Trust

**Re: Academy Conversion – Local Authority Charging**

Suffolk County Council (SCC) has for some time recognised the significant amount of officer time and associated costs are necessary to convert a school from Local Authority Maintained to Academy Status. The large majority of this time and cost is above and beyond the small element of statutory work that SCC has to carry out as part of the process. I am therefore writing to inform you that SCC will start charging converting schools for the third party legal, property and HR costs.

Suffolk County Council has made this decision due to the predicted increase in academy conversions, as outlined in recent Government policy announcements, and a reduction in funding through the Education Support Grant which funds our responsibilities. By 2018/19 this will be £4.1 million less than the baseline of 2016/17. This has been a difficult decision to reach as the local authority has, and wishes to continue to be, as supportive as possible both of the central government’s academy programme, and toward our Suffolk schools entering it. However, given the costs incurred to convert an ever-increasing number of schools at a time when the authority is tasked with making significant savings to protect front-line services this has been agreed as a necessary measure.

Therefore, for all schools converting where the academy order is issued after 1 April 2017 a capped amount of £5,500 will be charged to academies to cover the costs incurred by SCC through completing the lease, TUPE transfer, and the commercial transfer agreements. These costs are split down as follows:

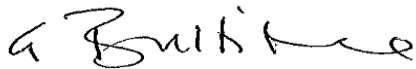
<b>Conversion Element</b>	<b>Cost</b>
Property & Estates – site visits/plans and terms of 125-year lease	£3,000
Legal (Property) - drafting & completion of lease documents	£1,000
Legal (Commercial) – drafting & completion of CTA document	£1,000
HR Costs for TUPE transfer	£ 500

Both amounts, totalling £5,500, will be invoiced at the outset of the process with payment made as part of the balance determination exercise upon completion of the conversion.

Should the actual costs be less than £5,500 this funding will be returned to the academy, should the costs be greater the council will bear this risk. It should be noted that this charge is for third party costs only and does not cover the costs of local authority officer time such as staff in the Schools Infrastructure Team or Schools Finance Team.

We will also charge third party legal costs to maintained schools converting to Foundation Status. This is a rare event but can have significant costs. We will pass on the full costs of third party legal fees in full. Any school contemplating this move should contact Pete Mumford ([pete.mumford@suffolk.gov.uk](mailto:pete.mumford@suffolk.gov.uk)) to discuss the matter.

Yours sincerely,



**Gavin Bultitude**  
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