

SCHEDULE

DIXONS CITY ACADEMY

CONSOLIDATED FUNDING AGREEMENT

4 May 2005

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INTRODUCTION

1. This Agreement is made under section 105 of the Education Reform Act 1988 ("ERA") between the Secretary of State for Education and Science and the Dixons City Technology College Charitable Trust Limited (hereafter "the CTC") and has been amended by an amending agreement made under section 482 of The Education Act 1996 ("the EA") between the Secretary of State for Education and Employment ("the Secretary of State") and the CTC dated 25 April 1997. [DN. The FA was also amended or revised on 9 December 1992, 28 May 1993 and 20 January 1994 . The CTC is a charitable company incorporated in England and Wales, limited by guarantee with registered no 2303464.

2. Pursuant to section 68 of the Education Act 2002, and evidenced by a Deed of Variation executed on 4 May 2005 ("the date of variation"), the Secretary of State for Education and Skills and the CTC agree that this Agreement shall for all purposes be regarded as having been made under section 482 of the Education Act 1996 as substituted by section 65 of the Education Act 2002, and that accordingly the school shall be known as Dixons City Academy ('the Academy') with effect from 1st September 2005.

3. Section 482 (1) of EA states that -

"(1) The Secretary of State may enter into an agreement with any person under which -

(a) that person undertakes to establish and maintain, and to carry on or provide for the carrying on of, an independent school with such characteristics as are specified in the agreement and in subsection (2), and

(b) the Secretary of State agrees to make payments to that person in consideration of those undertakings."

4. In consideration of the CTC undertaking to establish and maintain, and to carry on or provide for the carrying on, of an independent school known as the Dixons City Technology College, **and undertaking that from 1 September 2005 the school shall have such characteristics as are referred to in paragraph 6**, the Secretary of State agrees to make payments to the CTC in accordance with the conditions and requirements set out in this Agreement.

5. (a) The following expressions used in this Agreement have the respective meanings assigned to them by the numbered paragraphs of this Agreement referred to immediately after the reference to the expressions -

"Academy" – paragraph 2;

"annual letter of funding" - paragraph 33;

"capital expenditure" - paragraph 8(a);

"EAG" – paragraph 23;

"financial year" - paragraph 32;

"GAG" - paragraph 23;

"recurrent expenditure" - paragraph 8(b); and

"school" - paragraph 4.

(b) "LEA" means local education authority; **references to 'school or 'College' shall where the context so admits be references to the Academy; 'persons' includes a body of persons corporate or incorporate.**

(c) A reference in the Agreement to a numbered paragraph or Annex is a reference to the paragraph or Annex of this Agreement bearing that number.

Questions arising on the interpretation of the arrangements in this Funding

Agreement shall be resolved by the Secretary of State after consultation with the Academy.

Characteristics of an Academy

6. The characteristics of an Academy are that it:

(a) has a curriculum satisfying the requirements of section 78 of the Education Act 2002, but with an emphasis on Product Design and the Performing Arts,

(b) provides education for pupils of different abilities who have attained the age of eleven years but not the age of nineteen years as the start of the academic year and who are wholly or mainly drawn from the area in which the school is situated.

GRANTS TO BE PAID BY THE SECRETARY OF STATE

7. The Secretary of State shall pay grants under this Agreement towards capital and recurrent expenditure. Except with the Secretary of State's prior agreement, the Academy Trust shall not budget for expenditure in any year in excess of expected income. The Academy Trust shall not enter into commitments which are likely to have substantial implications for future levels of grant, or for the period for which grant may be required. No decision by the Trust shall commit the Secretary of State to paying any particular amount of grant.

8. In this Agreement -

(a) "capital expenditure" means expenditure on:

- i. the acquisition of land and buildings;**
- ii. the erection, enlargement, improvement or demolition of any building including any fixed plant, installation, wall, fence or other structure, or any playground or hard standing;**
- iii. the installation of electrical, mechanical and other services;**
- iv. the purchase of vehicles and other self-propelled mechanical equipment;**
- v. the provision of equipment and furnishings including computers, networking for computers and equipment for information technology, other than where these are provided in the course of periodic maintenance;**
- vi. the provision and equipping of premises, including playing fields and other facilities for social activities and physical recreation;**
- vii. works of a permanent character other than the purchase or replacement of minor day-to-day items of capital equipment of any class or description referred to in Annex 1;**
- viii. major repairs or replacements as described in the annual letter of funding;**
- ix. such other items (whether of a like or dissimilar nature to any of the foregoing) of a substantial or enduring nature as the Secretary of State may agree shall constitute capital expenditure for the purposes of this Agreement;**

- x. all professional fees properly and reasonably incurred in connection with the provision of the above; and
- xi. VAT payable on any of the above.

and "capital grant" means grant paid under this Agreement in respect of such expenditure. Where the CTC has acquired assets for a nil consideration or at an under-value, it shall be treated for the purpose of this Agreement as having incurred expenditure equal to the market value of that asset at the time that it was acquired.

(b) "Recurrent expenditure" means any expenditure on the establishment, conduct, administration and maintenance of the Academy which does not fall within the categories of capital expenditure set out at sub-paragraph (a) above.

Capital Expenditure

9. The Secretary of State and the CTC hereby agree that:

i. Any capital expenditure made by the Secretary of State or by or on behalf of the CTC (whether before or after its incorporation) prior to the date of this Agreement for the purposes of or in connection with the establishment or maintenance of the College shall be deemed for all purposes to have been made under this Agreement.

ii. the amount of the capital expenditure necessary to establish the College shall not exceed £9.162m at outturn prices ("the cash limit"). This includes the capitalised cost of acquiring the leasehold or the capital cost of acquiring the freehold interest in the site, the erection of any new buildings, any renovations required to existing buildings, including repairs, the provision of an initial stock of furniture and equipment, including equipment for the purposes of information technology, professional fees and VAT;

iii. up to the sum of £9.162m the Secretary of State will bear 80% of these costs and the CTC 20%.

iv. the arrangements (including timing) for payments of the costs shall be as provided in Annex 2.

v. if the costs finally incurred for the purposes set out in paragraph 9ii are less than £9.162m the share of the actual costs will be divided between the Secretary of State and the CTC in the same proportions as indicated in paragraph 8iii;

vi. if the costs incurred for the purposes set out in paragraph 9ii exceed £9.162m, these additional costs shall be the responsibility of the CTC, except that the Secretary of State shall contribute:

(a) up to 80% of any necessary additional costs the need for which could not reasonably have been foreseen at the time the cash limit was set;

(b) such percentage as may be agreed between the parties of any other additional costs which the parties agree should be incurred.

Capital expenditure necessary to convert the school to an Academy

10. The Academy Trust has agreed with the Secretary of State the Capital Cost Spreadsheet attached as Annex 4 to the Agreement. The Capital

Cost Spreadsheet shows the limit of the capital costs which the parties have agreed the Academy Trust may incur in connection with the conversion of the school to an Academy. Annex 4 includes capital costs incurred prior to date of variation and capital costs to be incurred after that date and before the Academy opens. The Academy opens on the first day that its pupils attend school at the Academy.

11. Annex 5A of the Agreement shows the capital expenditure incurred before the date of variation. The Academy Trust has agreed with the Secretary of State the Capital Cash Flow Programme attached as Annex 5B to the Agreement which shows the projected cashflow of capital expenditure by the Academy Trust after that date.
12. Both parties recognise that as the project develops it may be necessary to revise costs in the Capital Cost Spreadsheet and to move costs between spreadsheet elements in order to ensure that the project remains within its approved budget. Where the Academy Trust wishes to make such adjustments of over £10,000, it must submit the requested adjustment with the reasons for it to the Secretary of State for approval.
13. Where the Academy Trust foresees a significant change in the timing of capital expenditure, that is a change to the figures in Annex 5B of over £100,000, a revised Capital Cash Flow Programme must be submitted to the Secretary of State for approval. The Academy Trust must ensure that no pattern of spending is allowed to develop which cannot be contained within the approved capital expenditure limits. The Secretary of State must be informed immediately if any danger of any of the capital costs set out in Annex 4 being exceeded is foreseen so that steps can be taken to rectify the situation and ensure that the project remains within its capital cash limit.
14. The Secretary of State and the Academy Trust hereby agree that the school will be refurbished in accordance with the architect's drawings and specification on materials set out at Annex 5C of the Agreement and that:
 - (a) the amount of capital expenditure necessary to convert the school to an Academy is £6,510,494 ("the Conversion Cash Limit"). The Conversion Cash Limit includes capital expenditure incurred for the purposes of or in connection with the conversion of the school prior to the date of variation as described in Annexes 5A and 5B;
 - (b) the Secretary of State will bear £5,859,494 of the Conversion Cash Limit and the Academy Trust will bear £651,000 of the Conversion Cash Limit;
 - (c) the arrangements (including timing) for payments for these costs are set out in paragraph 16 and Annex 5B of the Agreement. Payment by the Secretary of State will be dependent on his approval of the matters set out in Annex 6 to the Agreement;
 - (d) if the costs finally incurred for the purposes set out in subparagraph (a) above are less than the Conversion Cash Limit, the actual capital expenditure shall be apportioned as follows:
 - (i) 90% of the cost to be borne by the Secretary of State;
 - (ii) 10% of the cost to be borne by the Academy Trust
 - (e) if at any stage it appears that the costs incurred for the

purposes set out in sub-paragraph (a) are likely to exceed the Conversion Cash Limit, the parties to the Agreement shall urgently consider how to reduce those costs, if necessary by amending the specification of the Academy;

(f) if the costs incurred for the purposes set out in sub-paragraph (a) exceed the cash limit these additional costs shall be the responsibility of the Academy Trust except that the Secretary of State shall contribute up to 80% of any agreed necessary additional costs the need for which could not reasonably have been foreseen at the time the cash limit was set;

(g) if the parties agree that additional capital expenditure to convert the school to an Academy, other than that specified in sub-paragraph (a) may be incurred then the parties shall divide such additional costs between them in such proportions as may be agreed between them. No such additional expenditure is to be incurred without prior agreement in writing between the parties.

Conditions on Capital Grant

15. Any payment of capital grant under the Agreement is subject to the fulfilment of the following conditions:

(a) such grants are used to provide accommodation constructed and equipped to standards agreed by the Secretary of State as described in Annex 6, or to defray other expenditure approved by the Secretary of State;

(b) the payment of such grants is subject to the Academy Trust certifying and providing evidence that all planning and other consents necessary for the development and all related infrastructure to be completed have been obtained or put in place.

Arrangements for Payment of Capital Grant

16. Capital grant will be paid monthly by the Secretary of State to the Academy Trust. Each month the Academy Trust must submit a claim for grant to the Secretary of State in the notified format with supporting invoices and certificates as requested by the Secretary of State from time to time. Capital grant will be paid within 21 days from the day on which a claim for grant is received if the claim is in the proper format, supported by the appropriate documentation and the conditions on its payment set out at paragraph 15 are complied with. If a dispute arises as to whether a grant claim is acceptable or not both parties undertake to attempt to resolve it in good faith.

17. Any capital expenditure (other than expenditure by the CTC under paragraph 9vi) during the life of this Agreement beyond the cash limits referred to in paragraphs 9ii **and 14(a)** on which grant payments are sought from the Secretary of State will require the specific approval of the Secretary of State not to be unreasonably withheld. Unless the CTC undertakes to meet such capital costs entirely itself such approved costs as are incurred will be shared in a proportion to be agreed between the Secretary of State and the CTC in relation to, and having regard to the nature of, each such capital project, but the proportion contributed by the Secretary of State will not be expected to exceed the proportion mentioned in paragraphs 9iii **and 14(f)** save that any capital expenditure required in order to meet the requirements of legislation enacted or made after the date of this Agreement shall be funded at least to the first percentage referred to in paragraphs 9iii **and 14(f)** by the Secretary of State.

Implementation Grant

18. The Secretary of State shall pay grant (known as “implementation grant”) towards the conversion of the school to an Academy. Implementation grant covers the recurrent expenditure that the parties agree is necessary to convert and open the Academy.

19. The Academy Trust shall prepare and submit to the Secretary of State for approval an Implementation Budget showing recurrent costs to be incurred before the Academy opens and for which grant is sought. The approved Implementation Budget Cashflow is attached as Annex 5D to the Agreement and shows the limits of the recurrent expenditure and the projected cashflow which the parties have agreed the Academy Trust is permitted to incur in order to convert the school.

20. Both parties recognise that as the project develops it may be necessary to revise individual costs in the Implementation Budget and to move costs between budget headings in order to ensure that the project remains within its approved budget. Where the Academy Trust wishes to make such an adjustment of over £10,000, the reason for the change and a revised Implementation Budget must be submitted to the Secretary of State for approval.

Arrangements for Payment of Implementation Grant

21. The Secretary of State will pay implementation grant in accordance with the approved Implementation Budget. Payments will be made by monthly instalments. The Academy Trust shall submit to the Secretary of State by the 10th of each month a grant claim in a form specified by the Secretary of State. If the grant claim is acceptable the Secretary of State undertakes to pay the amount due by the 25th of the month. If a dispute arises over whether a grant claim or part of it is acceptable, both parties undertake to attempt to resolve the dispute in good faith.

22. Any amount of approved implementation grant in respect of which the expenditure has not been incurred by the Academy Trust, by the date on which the Academy opens, will lapse and no implementation grant will be payable in respect of that part of the approved implementation budget. Any amount of implementation grant which has been paid but remains unexpended on relevant expenditure by the date on which the Academy opens will, without prejudice to any other mode of recovery, be taken into account in determining the total amount of grant to be paid to the Academy after it has opened. Any amount of implementation grant which is found to have been used on ineligible expenditure will, without prejudice to any other mode of recovery, be taken into account in determining the total amount of grant to be paid to the Academy.

Recurrent Expenditure

23. The Secretary of State shall pay two separate and distinct grants under the Agreement in respect of recurrent expenditure: General Annual Grant (GAG) and Earmarked Annual Grant (EAG).

General Annual Grant

24. General Annual Grant will be paid by the Secretary of State to the Academy Trust in order to cover the normal running costs of the Academy. These costs will include, but are not limited to:

- (a) teachers’ salaries and related costs (including full and part time teaching staff and seconded teachers);

(b) non-teaching staff salaries and related costs (including educational support staff, administrative and clerical staff and manual and premises related staff);

(c) employees' expenses;

(d) the purchase, maintenance, repair and replacement of teaching and learning materials and other educational equipment including books, stationery, ICT equipment and software, sports and laboratory equipment and materials, other supplies and services;

(e) examination fees;

(f) repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting etc); maintenance of grounds (including boundary fences and walls); cleaning materials and contract cleaning; water and sewage; fuel and light (including fuel oil, solid and other fuel, electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;

(g) insurance;

(h) medical equipment and supplies;

(i) staff development (including in-service training);

(j) curriculum development;

(k) the costs of providing school meals for pupils (including the cost of providing free school meals to pupils who are eligible to receive them) and discretionary grants to pupils to meet the cost of pupil support, including support for pupils with special educational needs or disabilities (taking account of the fact that separate additional money will be available for pupils with statements of special educational needs);

(l) administration;

(m) establishment expenses and other institutional costs.

25. Subject to paragraph 28, GAG for each financial year of the Academy Trust will be the total of the following areas of funding;

(a) Formula Funding: Funding comparable to the level of funding which would be provided through the funding formula of the LEA in whose area the Academy is situated, to a maintained school which had all of the Academy's relevant characteristics, including its number of pupils;

(b) LEA Holdback: Funding representing a proportion of the LEA Education Budget money which the LEA would be able to retain, from the non-delegated elements of the Schools Block and the relevant items in the LEA Block, if the Academy were a maintained school. The proportion which this funding will represent will be based on the elements of the LEA's Section 52 Budget Return which are relevant to the Academy.

(c) Specialist Schools Allowance: Funding equivalent to that which a maintained school with the Academy's characteristics would

receive in respect of their participation in the specialist schools programme;

26. The GAG for the Academy will also include the following areas of funding for as long as they are necessary and equivalent funding is provided to maintained schools:

(a) LGPS contributions: Whilst it is necessary for the Academy to incur extra costs in order to be a member of the LGPS scheme due to having a small number of employees partaking in the scheme, the Secretary of State will pay an extra amount of grant in respect of these costs each financial year. Both parties acknowledge that new ways of working are being explored to lessen these costs and if these are successful this element of GAG will reduce or cease accordingly;

(b) School Standards Grant: Whilst this direct grant for maintained schools (Direct Grant to Schools) is paid by DfES, the Academy will receive an equivalent amount as part of its GAG each financial year;

(c) Teachers Threshold Payments: Whilst maintained schools receive a separate grant from DfES in respect of teachers threshold payments, the Academy will receive funding on the same basis as maintained schools for all of its teachers which are entitled to threshold payments.

(d) Relevant New Grants for Maintained Schools: Where the Secretary of State starts to pay new grants (which are not standards fund grants) for specific programmes in maintained schools which are relevant to Academies, the Academy will receive funding on a similar basis.

27. The basis of the pupil number count for the purposes of determining the Academy's GAG will be the Governing Body's estimate in November for numbers on roll in the following September. The basis of the GAG calculation, including any annual re-pricing which may be necessary, will be set out in the annual letter of funding except that the level of Teachers Threshold Payments will not be included in the letter and will depend on the information provided by the Academy in that financial year regarding how many teachers are entitled to the payments and at what level.

28. The Secretary of State reserves the right to make in year adjustments to the level of GAG payable to the Academy Trust in the following circumstances:

(a) pupil numbers are 10% or more below estimates;

(b) pupil numbers are 5% or more above estimates;

(c) additional grants relevant to the Academy are made by the Secretary of State to maintained schools.

The Academy Trust should notify the Secretary of State if at any stage in the year pupil numbers vary from the estimates by the amounts set out in subparagraphs (a) or (b). The Secretary of State will base his assessment of the variation of pupil numbers on information provided by the Academy Trust and data from the school census' in September and January each year. The adjustments to the level of GAG may be in respect of any element of the GAG.

29. The Secretary of State recognises that if he serves notice of intention to terminate this Agreement under paragraph 79 the intake of new pupils during the 7 year notice period is likely to decline and that in such circumstances payments based simply upon the number of pupils attending the Academy are

unlikely to be sufficient to meet the Academy's needs during the notice period. The Secretary of State undertakes to pay a reasonable and appropriately larger GAG in the notice period than would be justified solely on the basis of the methods set out in paragraphs 25 and 26, in order to enable the Academy to operate effectively.

Earmarked Annual Grant

30. Earmarked Annual Grant shall be paid by the Secretary of State to the Academy Trust in respect of either recurrent or capital expenditure for such specific purposes as may from time to time be agreed between the Secretary of State and the Academy Trust and as described in the relevant funding letter. The Academy is free to determine how best to use each of its EAGs within the scope of the grant set out in the relevant funding letter.

31. Where the Academy Trust is seeking a specific EAG in relation to any financial year, it shall submit a letter outlining its proposals and the reasons for its request to the Academies Division, Sanctuary Buildings, Great Smith Street, London SW1P3BT, by 15th February preceding the financial year in question.

Arrangements for Payment of GAG and EAG

32. For the purposes of this Agreement, the Academy's financial year shall be deemed to run from 1st September to 31st August, in order to align it to the school academic year. The Secretary of State shall notify the Academy Trust in December preceding the start of each financial year of the GAG and EAG figures which, subject to Parliamentary approval, the Secretary of State plans for that year and of the assumptions and figures on which these are based.

33. The amount of GAG for an Academy financial year will be determined annually by the Secretary of State. The amount of GAG will be notified to the Academy Trust in a funding letter not later than 1 April preceding that financial year ("the annual letter of funding"). The annual letter of funding will not include the amount that the Academy Trust will receive in respect of Teacher Threshold Payments whilst that grant is paid as a separate payment that will be notified later in the year on a date to be agreed. Amounts of EAG will be notified to the Company according to an agreed programme. The Secretary of State undertakes to pay GAG in monthly instalments on or before the twenty fifth day of each month, each such instalment to fund the salaries and other payroll costs for the relevant month of all monthly paid employees and all other costs payable during the next following month. The detailed arrangements for payment will be set out in the annual letter of funding.

CONDITIONS OF GRANT

General

34. Section 482 (4) of EA states -

"(4) An agreement under this section shall make any payments by the Secretary of State dependent on the fulfilment of:

(a) conditions and requirements imposed for the purpose of securing that no charge is made in respect of admission to the school or, subject to such exceptions as may be specified in the agreement, in respect of education provided at the school; and

(b) such other conditions and requirements with respect to the school as are specified in the agreement."

35. These conditions in respect of the Academy are that:

(a) the school will be at the heart of its community, sharing facilities with other schools and the wider community,

(b) there will be an assessment in the core subjects of the national curriculum at Key Stage 3, and the opportunity to study for external qualifications as defined by section 96 of the Learning and Skills Act 2000,

(c) the admissions policy and arrangements for the school will be consistent with admissions law and the DfES Codes of Practice for maintained schools,

(d) teachers will be required to have qualified teacher status, levels of pay and conditions of service for all employees will be the responsibility of the Governing Body,

(e) there will be an emphasis on the needs of the individual pupils including pupils with special educational needs (SEN), both those with and without statements of SEN,

(f) there will be no charge in respect of admission to the school and the school will only charge pupils where the law allows maintained schools to charge.

Governance

36. (a) The Academy will be governed by a governing body ('the Governing Body') who are the directors of the company constituted under the Memorandum and Articles of the Academy Trust. The Governing Body shall exercise its powers and functions with a view to fulfilling a largely strategic role in the running of the school and shall consider any advice given by the Principal. The Governing Body may exercise its powers and fulfil its functions through its servants or agents.

(b) Subject to the Memorandum and Articles, and to this Agreement, the Governing Body may regulate its own procedure and that of any of its committees.

Conduct

37. The Academy shall be conducted in accordance with:

(a) the Memorandum and Articles of the company (attached as Annex 7 to this Agreement) which Memorandum or Articles shall not be amended by the Academy Trust without the explicit consent of the Secretary of State, such consent not to be unreasonably withheld;

(b) all provisions by or under statute which confer rights or impose obligations on Academies;

(c) the terms of this Agreement.

Development Plan and target setting

38. (a) The Academy shall draw up a School Development Plan each year in accordance with a format and timetable to be advised by the Secretary of State. The School Development Plan shall, in particular:

(i) in accordance with a format and timetable to be advised by the

Secretary of State set out plans for ensuring that all pupils are supported to reach the highest standards of which they are capable;

(ii) describe the Academy's proposals to work with other schools and with the wider community.

(b) The Academy shall set such targets in areas to be specified by the Secretary of State each year. The target areas for the initial year shall be:

(i) percentage of pupils achieving five or more GCSEs at grades A* - C; and

(ii) percentage of pupils achieving level 5 or above at Key Stage 3 in English, maths science and ICT.

(c) The Academy shall consult the Secretary of State and the LEA in whose area it is situated each year before setting these targets and shall take into account but not be bound by any comments received from the Secretary of State and/or the LEA. The Academy shall set its targets in accordance with the timetable for target setting which applies to maintained schools.

Pupils

39. The Academy is an all ability and inclusive school. The arrangements for:

(a) the admission of pupils to the Academy; and

(b) the admission of and support for pupils with Special Educational Needs and with disabilities (for pupils who have and who do not have statements of Special Educational Needs) (including the appointment of a responsible person);

are set out in Annexes 8 and 9 to this Agreement, together with the arrangements for making changes to such arrangements, including the requirement to secure the consent of the Secretary of State, such consent not to be unreasonably withheld. Arrangements for pupil exclusions are set out in Annex 10.

Teachers and other staff

40. (a) The Academy Trust shall employ as teachers persons who meet the health standards set out in the Education (Health Standards)(England) Regulations 2003 (SI 2003/3139) and who are also qualified teachers within the meaning of the Education (School Teachers' Qualifications) (England) Regulations 2003 (SI 2003/1662) in each case as amended or re-enacted from time to time. It shall be open to the Academy to employ persons (otherwise than as teachers) with other qualifications and experience.

(b) The Governing Body shall ensure that all teachers employed at the Academy have access to the Teachers Pension Scheme and, in so doing, will comply with the statutory provisions underlying the scheme.

(c) The Governing Body shall ensure that all employees other than teachers have access to the Local Government Pension Scheme.

(d) It shall be the responsibility of the Governing Body to agree levels of pay and conditions of service with its employees, and to determine and

employ such numbers of staff as may be appropriate. The Governing Body shall approve policies for:

(i) staffing structure, and staff remuneration; and

(ii) staff discipline and performance management.

Curriculum, curriculum development and delivery and RE and collective worship

41. (a) The curriculum provided by the Academy to pupils up to the age of 16 shall be broad and balanced with an emphasis on Product Design and the Performing Arts. The core subjects of the National Curriculum must be taught to all pupils in years 7 - 11 except where, in the opinion of the Principal, it is inappropriate for an individual pupil or groups of pupils to be taught one or more of those subjects.

(b) The Academy shall make provision for the teaching of Religious Education and for a daily act of collective worship.

(c) Subject to sub-paragraph (e), provision shall be made for Religious Education to be given to all pupils at the Academy in accordance with the requirements for agreed syllabuses in section 375(3) of the Education Act 1996 and paragraph 2(5) of Schedule 19 to the School Standards and Framework Act 1998, and having regard to the requirements of the Qualifications and Curriculum Authority's national framework for religious education in schools.

(d) Subject to sub-paragraph (e), the Academy shall comply with the requirements of section 70(1) of, and Schedule 20 to, the School Standards and Framework Act 1998 as if it were a community, foundation or voluntary school which does not have a religious character, except that the provisions of paragraph 4 of that Schedule do not apply. The Academy may apply to the Secretary of State for consent to be relieved of the requirement imposed by paragraph 3(2) of that Schedule, the Secretary of State's consent to such an application not to be unreasonably withheld or delayed.

(e) Section 71(1) - (4) of the School Standards and Framework Act 1998 shall apply as if the Academy were a community, foundation or voluntary school, and as if references to "religious education" and to "religious worship" in that section were references to the religious education and religious worship provided at the Academy in accordance with sub-paragraphs (c) and (d) respectively.

(f) The Academy shall have regard to any guidance issued by the Secretary of State on Sex and Relationship Education to ensure that children are protected from inappropriate teaching materials and they learn the nature of marriage and its importance for family life and for bringing up children.

Assessment

42. (a) The Academy shall register with the Qualifications and Curriculum Authority for the purposes of arranging for all eligible pupils to take part in the national curriculum assessment system at the end of the Key Stage 3 programmes of studies. This includes arranging for pupils to take the English, Maths and Science tests and for teacher assessments of pupils' performance in those subjects.

(b) The Academy may not offer courses which lead to external qualifications, as defined in section 96 of the Learning and Skills Act

2000, unless they are either approved under section 98 of that Act, or, in respect of individual pupils, groups of pupils or all pupils in Key Stage 4, the Secretary of State gives specific consent for such courses to be offered.

School meals

43. (a) The Academy shall, if requested to do so by or on behalf of any pupils at the Academy provide school lunches for those pupils unless it would be unreasonable for them to do so. Subject to the provisions of subparagraph (b) charges may be levied for lunches.

(b) In relation to a pupil who is himself or whose parents are in receipt of benefits mentioned in section 512ZB of the Education Act 1996 (or equivalent provision governing the entitlement to free school lunches of pupils at maintained schools), the Academy shall ensure that a school lunch is provided for such a pupil, which shall be provided free of charge.

Charging

44. Sections 402 (Obligation to enter pupils for public examinations), 450 - 457 (charges), 459 (regulations about information about charges and school hours) and 460 (voluntary contributions), 461 (recovery of sums as civil debt) - 462 (Interpretation re charges) of the Education Act 1996 shall be deemed to apply to the Academy with the following modifications:

(a) references to any maintained school shall be treated as references to the Academy;

(b) references to registered pupils shall be treated as references to registered pupils at the Academy;

(c) references to the governing body or the local education authority shall, in each case, be treated as references to the governing body of the Academy;

(d) the charging and remissions policies required to be determined under section 457, and any amendment thereto, shall require the approval of the Secretary of State; and

(e) the Academy may charge persons who are not registered pupils at the Academy for education provided or for facilities used by them at the Academy.

Provision of Information to parents and others

45. (a) The Academy shall publish a prospectus annually, and shall send this on request (free of charge) to parents of pupils at the Academy and to the Secretary of State; and shall make it available for inspection by other persons at the Academy. The prospectus shall include details of admission arrangements and, except insofar as such information is published in a document known as a School Profile (which would accompany the prospectus) the following:

(i) details of the curriculum offered, of assessment arrangements and of the results of attainment tests and public examinations at school level, but this shall not include details of individual pupils' attainment and examination results;

(ii) details of any religious affiliation of the school; policy on

providing for children with SEN; arrangements for pupils with disabilities (as specified in Annex 3 to this Agreement); pupil absence rates; and destination of school leavers; and

(iii) such other information as the Governing Body may determine;

(iv) any further information as set out in Schedule 3 of the Education (School Information) (England) Regulations 2002 (SI 2002/2897) as applies to maintained schools.

(b) The prospectus shall be published in the school year immediately preceding the school year to which it relates and shall be published at least six weeks before the closing date for applying for a place.

Financial and Accounting Requirements

46. Any payment of grant by the Secretary of State is subject to his being satisfied as to the fulfilment by the CTC of the following conditions:

i. that the financial and other controls applied by the CTC in conducting the College conform with the requirements both of propriety and of good financial management;

ii. that arrangements have been made to maintain proper accounting records and that statements of income and expenditure and balance sheets may be produced in such form and frequency as the Secretary of State may from time to time reasonably direct;

iii. that such financial statements are published at the end of each financial year in such form and manner as the Secretary of State may reasonably direct and a copy sent to him by 31 December each year. These should carry an audit report stating that, in the opinion of the auditors, the statements show a true and fair view of the CTC affairs and that the grants were used in accordance with the terms and conditions laid down in this Agreement;

iv. that the CTC prepares and files with the Companies Registry such annual accounts as are required by the Companies Act 1985; and

v. that a statement of the accounting policies used is sent to the Secretary of State with the financial statements.

vi. that the CTC insures or procures insurance by another person of its assets in accordance with normal commercial practice or under the terms of any subsisting leases in respect of the leasehold interest of the site upon which the College is situated.

vii. that the Academy prepares and files with the Charity Commission annual accounts prepared in accordance with the Statement of Recommended Practice;

viii. the governing body shall comply with their obligation under the Charities Act 1993 (or any statutory re-enactment or modification of that Act) with regard to the preparation of an annual report and its transmission to the Charity Commissioners;

47. **The Principal shall be the Academy's Accounting Officer. The Accounting Officer will be personally responsible to the Trustees for ensuring regularity and propriety, and for the economic, efficient and effective use of resources (i.e. ensuring value for money), and administration of the financial affairs of the Academy. The Accounting Officer may delegate or appoint others, such as**

a Finance Director, to assist in carrying out these responsibilities.

48. The Academy shall abide by the provisions within the Academies Financial Handbook, as published by the Department for Education and Skills and amended from time to time, which sets out in detail provisions for the financial management of the Academy including guidance on financial systems and controls and accounting and reporting requirements.

49. The formal budget plan must be approved each year by the Governing Body.

50. The CTC shall secure that its accounts are audited annually by independent auditors appointed under arrangements approved by the Secretary of State. In addition, and at his expense, the Secretary of State may instruct auditors to report to him on the adequacy and effectiveness of the accounting systems and internal controls to standards determined by the Secretary of State and to make recommendations for improving the financial management of the College.

51. The books and accounts and all relevant records, files and reports of the CTC including those relating to financial controls, shall be open to officials of the Department for Education and Employment and the National Audit Office for inspection or the carrying out of value for money studies; and the CTC shall secure that those officials are given reasonable assistance with their enquiries. **For the purposes of this clause 'relevant' means in any way relevant to the provision and use of grants provided by the Secretary of State under this Agreement.**

52. In order that the Secretary of State can determine the level of funding in respect of GAG, EAG and capital grant for the financial year, the CTC shall submit indicative budgets to the Secretary of State not later than by 15 February before the start of the financial year in question. Such budgets shall set out clearly the prospective income and expenditure of the CTC and shall differentiate, and give adequate details of:

- i. the levels of GAG, EAG and capital grant provisionally agreed by the Secretary of State;
- ii. proposed pupil and teacher numbers;
- iii. a statement of proposed recurrent expenditure in the following financial year; and
- iv. a statement of proposed capital expenditure in the following financial year; and
- v. a statement of expected income including cash donations and gifts in kind from sources other than GAG, EAG and grants from the Secretary of State towards capital expenditure, distinguishing between income from public funds and income from other sources. Income from cash donations and gifts in kind from sources other than GAG, EAG and grants from the Secretary of State towards capital expenditure will not be taken into account by the Secretary of State in the calculation of GAG or EAG.

53. The College will be permitted to carry forward savings from GAG from one year to the next:

- (a) equivalent to 2% of the total GAG received in the preceding year, which it may use for any of the purposes for which GAG is paid including all expenditure permitted under sub-paragraph (b) below;
- (b) equivalent to a further 10% of the total GAG received in that year, or such higher figure as may from time to time be agreed, which it may use on the upkeep and improvement of premises including the costs of

equipment and routine repairs and maintenance and on capital expenditure.

Any savings of GAG not allowed under this paragraph will be taken into account in the payment of subsequent grant. It may also accumulate funds from private sources **or public sources** for application to the benefit of the College as the governing body of the College sees fit. Any surplus arising from private sources **or public sources** shall be separately identified in the balance sheet. Any savings not allowed under this paragraph must be surrendered to the Secretary of State within one month from the acceptance of the relevant year's accounts by the Secretary of State.

54. The CTC shall not, without the prior written consent of the Secretary of State, not to be unreasonably withheld or delayed:

- i. give any guarantees, indemnities or letters of comfort;
- ii. write off any debts or liabilities owed to it above a value to be set out in the annual funding letter, nor offer to make any ex gratia payments;
- iii. make any freehold sale or purchase; or
- iv. grant or take up any leasehold or tenancy agreement for a term exceeding three years.

55. Each discovered loss of an amount exceeding the amount set out in the annual letter of funding, and arising from suspected theft or fraud, shall be reported by the CTC to the Secretary of State at the earliest opportunity.

Borrowing Powers

56. It is the responsibility of the CTC to ensure that it balances its budget from year to year. The CTC shall not run an overdraft beyond such amount (to cover irregularities in cash flow) as may from time to time be approved by the **Academy Trust in General Meeting** (as defined in the CTC's Memorandum of Association) and with the written consent of the Secretary of State, not to be unreasonably delayed or withheld, and subject to any conditions he may reasonably impose. The CTC shall not borrow except with the written consent of the Secretary of State against future years' recurrent grant, or by using as collateral assets purchased wholly or partly out of monies provided by the Secretary of State. **The Academy Trust shall not borrow against land and buildings transferred to it for less than the market price from an LEA or trustees of a voluntary aided school.** Provided always that nothing in this paragraph shall prevent the CTC from borrowing (whether by way of overdraft or otherwise) prior to the opening of the College nor from borrowing where such borrowing is made necessary by the failure of the Secretary of State to make in a timely fashion payments (whether of GAG or EAG or otherwise) agreed to be made by him under this Agreement.

Other relevant funding

57. **The Academy Trust may also receive funding from LEAs in respect of the provision detailed in statements of special educational needs for pupils attending the Academy in accordance with the provisions of Section 483A of the Education Act 1996 and regulations made under that section. The Academy shall ensure that all provision detailed in statements of SEN is provided for such pupils.**

58. **The Academy Trust should also receive funding from the LEA in whose area it is located, from the Standards Fund. The scheme under which the Standards Fund money is to be distributed by the Secretary of State to LEAs and schools will permit LEAs to receive grants on behalf of Academies in the same way as they can do for maintained schools. The Academy must use any**

grants received under the Standards Fund in accordance with any conditions specified in relation to that grant. Grants paid to the Academy Trust from the Standards Fund are not paid under this Agreement.

Disposal of Assets

59. Where the Academy Trust acquires assets for a nil consideration or at an under value it shall be treated for the purpose of this Agreement as having incurred expenditure equal to the market value of those assets at the time that they were acquired. This provision shall not apply to assets transferred at nil or nominal consideration and which were previously used for the purposes of a school or where transferred from an LEA; the value of which assets shall be disregarded.

60. The sale, or disposal by other means, or reinvestment of proceeds from the disposal, of a capital asset by an Academy Trust shall require the consent of the Secretary of State where:

- a) the Secretary of State paid capital grant in excess of £20,000 for the asset; or
- b) the asset was transferred to the Academy Trust from a Local Education Authority for no or nominal consideration

such consent not to be unreasonably withheld or delayed. Furthermore, reinvestment exceeding £1m or with other special features will be subject to Parliamentary approval.

61. This clause applies in the event, during the lifetime of this agreement, of the disposal of a capital asset for which capital grant of any amount was paid, where the asset was acquired by the Academy Trust at market value. In this event, the Academy Trust shall repay to the Secretary of State the same proportion of the proceeds of the disposal as equates with the proportion of the original cost met by the Secretary of State, unless the Secretary of State agrees to some or all of the proceeds being retained by the Academy Trust for its charitable purposes.

62. This clause applies in the event, during the lifetime of this agreement, that the Secretary of State consents to the disposal of an asset which was transferred to the Academy Trust from a Local Education Authority for no or nominal consideration. In this event the Secretary of State may give consent on the basis that all or part of the proceeds of the disposal should be made over to the Local Education Authority from which the asset was transferred, taking into account the amount of the proceeds to be reinvested by the Academy Trust. The Secretary of State will have regard to any representations from the Academy Trust and the Local Education Authority from which the asset was transferred before giving a consent under this clause.

63. Except with the consent of the Secretary of State, the Academy Trust shall not dispose of assets for a consideration less than the best that can reasonably be obtained.

64. The Secretary of State shall meet any costs arising from the inclusion of CTCs in the Schedules to the Redundancy Payments (Local Government) (Modification) Order 1983.

Curriculum and Assessment

65. The Secretary of State may specify in the annual letter of funding performance indicators which he intends to use in order to assess the performance of the College relative to schools in the maintained sector and against the objectives of the CTC

Programme, as well as value for money generally. The CTC shall make information available to the Secretary of State in connection with such indicators in such form and manner and at such times as may be required.

Information

66. Without prejudice to any other provision of this Agreement, the Secretary of State may from time to time call for information on, inter alia, the College's:

- i. curriculum;
- ii. arrangements for the assessment of pupils;
- iii. teaching staff including numbers, qualifications, experience, salaries, and teaching loads;
- iv. class size;
- v. **operation of the admission criteria and oversubscription arrangements for the Academy;**
- vi. number of applications for places and the number and characteristics of pupils accepted for admission;
- vii. organisation, operation and building management; and
- viii. financial controls
- ix. **targets including those set in accordance with paragraph 38(b);**
- x. **outreach work with other schools and the local community;**
- xi. **numbers of pupils excluded (including permanent and fixed term exclusions);**
- xii. **levels of authorised and unauthorised absence;**
- xiii. **the Academy's charging and remissions policies and the operation of those policies;**
- xiv. **membership and proceedings of the governing body.**

67. The CTC shall make such information available to the Secretary of State, in such form and manner and at such times as may reasonably be required. The Secretary of State shall provide the CTC with such information as they may reasonably require of him for the running of the College.

Access by the Secretary of State's Officers

68. The Governing Body shall allow access to the premises of the Academy at any reasonable time to DfES officials. All records, files and reports relating to the running of the Academy shall be available to them at any reasonable time. The Governing Body shall provide the Department in advance with papers relating to all meetings of the Governing Body of the Academy and of members of the Academy. Two DfES officials shall be entitled to attend and to speak at all such meetings, but shall withdraw from any discussion of the Academy's relationship with the Secretary of State or any discussion of bids for funding to the Secretary of State. The Academy shall take any steps which are required to secure its compliance with the obligations imposed by this paragraph of the Agreement.

69. (a) The Academy shall ensure that:

- (i) the agenda for every meeting of the Governing Body;
- (ii) the draft minutes of every such meeting, if they have been approved by the person acting as chairman of that meeting;
- (iii) the signed minutes of every such meeting; and
- (iv) any report, document or other paper considered at any such meeting,

are made available for inspection at the Academy and, as soon as is reasonably practicable, sent to the DfES.

(b) There may be excluded from any item required to be made available and sent to the DfES by virtue of sub-paragraph (a) any material relating to:

- (i) a named teacher or other person employed, or proposed to be employed, at the Academy;
- (ii) a named pupil at, or candidate for admission to, the Academy; and
- (iii) any matter which, by reason of its nature, the Governing Body are satisfied should remain confidential.

Notices

70. Any notice or other communication concerning this Agreement shall be sent, in the case of a notice or communication from the Secretary of State to the CTC to E H Simpson Esq CB, Chairman, Dixons City Technology College, 40 Frays Avenue, West Drayton, Middlesex, UB7 7AG with a copy to The Secretary, Dixons Group PLC, Maylands Avenue, Hemel Hempstead, Herts HP2 7TG or such other addressee/address as may be notified in writing from time to time by the CTC and, in the case of a notice or communication from the CTC to the Secretary of State to **Head of Academies Division, Department for Education and Skills, Sanctuary Buildings, Great Smith Street, London SW1P 3BT**; or such other address as may be notified from time to time by the Secretary of State and where any such notice or communication is sent by post, unless the contrary is proved, it shall be deemed, subject to satisfactory proof of posting, to be effected at the time at which the letter would be received in the ordinary course of post.

TERMINATION OF THE AGREEMENT

Termination of the Agreement by the Secretary of State

71. Sections 483 (1) and (2) of EA state that:

"(1) Payments under an agreement under section 482 may be in respect of capital or recurrent expenditure.

(2) In so far as such payments relate to recurrent expenditure, the agreement shall provide for their continuance (subject to the fulfilment of the conditions and requirements falling within section 482(4)) -

- (a) for a period of not less than seven years, or

(b) for an indefinite period terminable by the Secretary of State by not less than seven years' written notice."

72. Except in the event of prior termination of this Agreement under paragraphs 77-81, the Secretary of State shall continue payments in respect of recurrent expenditure for a period of not less than seven years. The Secretary of State shall give seven years written notice of his intention to terminate this Agreement, such notice to expire on 31 August in any year.

73. Section 483 (4) of the EA states that:

"(4) Without prejudice to subsection (1), an agreement under section 482 may provide for indemnifying a person, in the event of the agreement being terminated by the Secretary of State, for expenditure -

(a) incurred by that person in carrying out the undertakings mentioned in section 482(1), or

(b) incurred by that person (otherwise than by virtue of subsection (3)) in consequence of the termination of the agreement."

74. If the Secretary of State terminates this Agreement for reasons other than that the CTC no longer has the characteristics set out in **paragraph 6**, or is no longer meeting the conditions and requirements set out in **paragraphs 34-45** or is otherwise in breach of the provisions of this Agreement, the Secretary of State shall indemnify the CTC. The amount of any such indemnity shall be paid at such times and in such manner as the Secretary of State may reasonably think fit.

75. Subject to clause 76, on the termination of this agreement, however occurring, the Academy Trust shall repay to the Secretary of State a sum in respect of the capital contribution made by him under paragraphs 9, 14 and 17. The amount to be repaid to the Secretary of State shall be a percentage of the value of the assets belonging to the Academy Trust at the date of termination (or by agreement with the Secretary of State) at the date of subsequent disposal of those assets, such percentage to be the same as the percentage of the capital contribution made by the Secretary of State to the original value of those assets, whether that contribution was made on the establishment of the Academy or later.

76. The Secretary of State may waive in whole or in part the repayment due under the above clause if:

(a) The Academy Trust is unable to realise the market value of land or premises because they are returned to the Local Education Authority at less than market value; or

(b) The Academy Trust obtains his permission to invest the proceeds of sale for its charitable objects; or

(c) The Secretary of State directs all or part of the repayment to be paid to the Local Education Authority.

Termination of the Agreement by the Secretary of State because its conditions and requirements are no longer being met

77. If the Secretary of State **is of the opinion** that the CTC no longer has the characteristics set out in **paragraph 6** or that the conditions and requirements set out in **paragraphs 34-45** are not being met, or is otherwise in breach of the provisions of this Agreement, the Secretary of State may give notice of his provisional intention to

terminate this Agreement.

78. Any such notice shall be in writing and shall:

- i. state the grounds on which he considers the CTC no longer has the characteristics set out in **paragraph 6** or is not meeting the conditions and requirements of **paragraphs 34-45** or is otherwise in breach of the provisions of this Agreement;
- ii. specify the measures needed to remedy the situation;
- iii. specify the date by which these measures are to be implemented; and
- iv. state the form in which the CTC is to provide its response and the date by which it must be provided.

79. If no response is received by the date specified in paragraph 78 iv, the Secretary of State may give the CTC 12 months, or such lesser period as he considers appropriate in the circumstances, written notice of his intention to terminate this Agreement.

80. If a response is received by the date specified in paragraph 78 iv, the Secretary of State shall consider it, and any representations made by the CTC, and shall, within 3 months of its receipt, indicate that:

- i. he is content with the response and that the measures which he specified are being implemented; or
- ii. he is content, subject to any further measures he specifies being implemented by a specified date or any evidence he requires that implementation of such measures have been successfully completed; or
- iii. he is not satisfied, that he does not believe that he can be satisfied, and that he will proceed to terminate the Agreement.

81. In the circumstances of paragraph 80 iii the Secretary of State shall notify the CTC why he believes that he cannot be satisfied and, if so requested by the CTC within thirty days from such notification, he shall meet a deputation from the members and governors of the CTC to discuss his concerns. If following such meeting he has good reasons for remaining satisfied that the CTC does not and will not have the characteristics set out in **paragraph 6** or does not and will not meet the conditions and requirements set out in **paragraphs 34-45**, or does not and will not otherwise comply with the provisions of this Agreement, he shall give the CTC twelve months, written notice of his termination of this Agreement.

82. If the Secretary of State has cause to serve a notice on the Governing Body under s.165 of the Education Act 2002 and the matters specified in the notice are not remedied, the period of twelve months notice referred to in paragraph 79 may be shortened to a period deemed appropriate by the Secretary of State.

83. The Secretary of State may at any time by notice in writing terminate this Agreement forthwith on the occurrence of any of the following events:-

(a) the Academy Trust calls a meeting of its creditors (whether formal or informal) or enters into any composition or arrangement (whether formal or informal) with its creditors; or

(b) the Academy Trust proposes a voluntary arrangement within Section 1 of the Insolvency Act 1986; or

(c) the Academy Trust is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 provided that, for the purposes of this Clause. Section 123 (1)(a) of the Insolvency Act 1986 shall have effect as if the amount of £10,000 was substituted for £750. The Academy Trust shall not be deemed unable to pay its debts for the purposes of this clause if any such demand as is mentioned in the said Section is being contested in good faith by the Academy; or

(d) the Academy Trust has a receiver (and manager with the exception of Receivers and Managers appointed by the Charity Commission under the Charities Act 1993 or any subsequent re-enactment of that Act), administrator or administrative receiver appointed over all or any part of its undertakings, assets or income; or

(e) any restraint, execution or other process is levied or enforced on any of the Academy Trust's property and is not paid out, withdrawn or discharged within fifteen Business Days; or

(f) the Academy Trust has passed a resolution for its winding up; or

(g) the Academy Trust has a petition presented to any Court for its winding up or for an administration order; or

(h) the Academy has ceased to operate as a Academy (except where such cessation occurs temporarily by reason of an event of Force Majeure).

'Business Days' in this clause, means any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday within the meaning of the Banking and Financial Dealings Act 1971.

Termination of the Agreement by the CTC

84. The CTC may terminate this Agreement at any time by giving to the Secretary of State not less than seven years notice in writing expiring on 31 August in any year.

General (termination)

85. In the event of the termination of this Agreement howsoever occurring **the school shall cease to be known as an Academy; and** the Secretary of State shall procure that his nominee shall resign as a member of the CTC and co-operate in making any associated amendments to the CTC Articles of Association.

86. **Subject to paragraph 87, on the termination of this agreement, however occurring, the Academy Trust shall repay to the Secretary of State a sum in respect of the capital contribution made by him under paragraphs 9, 14 and 17. The amount to be repaid to the Secretary of State shall be a percentage of the value of the assets belonging to the Academy Trust at the date of termination (or by agreement with the Secretary of State) at the date of subsequent disposal of those assets, such percentage to be the same as the percentage of the capital contribution made by the Secretary of State to the original value of those assets, whether that contribution was made on the establishment of the Academy or later.**

87. The Secretary of State may waive in whole or in part the repayment due under the above clause if:

(a) The Academy Trust is unable to realise the market value of

land or premises because they are returned to the Local Education Authority at less than market value; or

(b) The Academy Trust obtains his permission to invest the proceeds of sale for its charitable objects; or

(c) The Secretary of State directs all or part of the repayment to be paid to the Local Education Authority.

88. If any land or premises of the Academy were acquired from a Local Education Authority at less than the market price, the Academy Trust may dispose of its interest in that land or premises but only with the consent of the Secretary of State, who shall have regard to any representations from the Academy Trust and the Local Education Authority from which the land was transferred before giving or withholding that consent.

GENERAL

89. This Agreement may be amended in writing at any time by agreement between the Secretary of State and the CTC.

90. The service by the Secretary of State of a notice of termination under any paragraph of this Agreement shall not prejudice the ability of the CTC (if it wishes to do so) during the notice period to admit pupils in accordance with the provisions of **paragraph 39 and Annexes 8 and 9** and to receive GAG and EAG in respect of them.

91. The Secretary of State and the CTC recognise the difficulties in catering in this Agreement for all the circumstances which may arise in relation to the College and undertake to conduct such consultations as may from time to time be desirable in order to promote the interests of the College throughout the period of this Agreement.