



Context:

The work of the Diocesan Board of Education (DBE), as the relevant religious authority for church schools within the Diocese of St Albans, is governed by Diocesan Measure, an act of Parliament.

The DBE

- is currently unincorporated and reports directly to Diocesan Synod through Bishop's Council
- sets its own budget, in conjunction with the Diocesan Director of Finance, has its own management accounts and access to a restricted investment fund, the Consolidated Fund for Statutory Education, which contains the cumulative proceeds of sale of all closed school sites whose disposal was governed by Section 554 of the Education Act
- annual budget has been broadly balanced for the last few years and receives a small subvention of £10,000pa from the Common Fund
- supports 138 schools educating 28,500+ pupils. All phases of education are represented
- delivers its support to schools through the Schools Team which consists of 9 team members (6.6 full time equivalent posts) the majority of whom are schools-facing
- feedback on the work of the Schools Team is uniformly good

The DBE Measure 2021:

Consultation on a revised DBE Measure commenced in 2017. Following consultation, the Draft DBE Measure 2021 was presented to General Synod in 2019 and 2020, and received Royal Assent on 29th April 2021.

The new Measure...

S. 3(1) provides that each diocesan synod must make a Scheme designating a body (which must be registered with the Charity Commission) as the DBE for the diocese. The three options for how DBEs may be structured are:

- (a) an incorporated registered charity (either a company limited by guarantee (CLG), or a Charitable Incorporated Organisation (CIO));
- (b) an unincorporated registered charity; or
- (c) the DBF for the diocese.

To support consideration of the options available to it, the DBE formed a small working group consisting of the Chair of the DBE, Chair of the DBF, Diocesan Secretary and Director of Education. This group has met three times.

Following a high-level due diligence exercise, it became clear that the best way of maintaining the current comprehensive support to schools was by proposing that the DBE become a Statutory Committee of the DBF (option c) as determined by the DBE Measure 2021.

In May 2020, the DBE gave its 'in principle' consent, and this was formalised in September 2021.

Rationale:

In undertaking due diligence on the options available, the following factors were taken into consideration:

- the maintenance of strong, positive intra-diocesan working relationships which have strengthened over the past six years
- retention of the capability to support and resource the mission of the Diocese to 'Live God's Love'
- ensuring that the maximum number Schools Team members remain schools-facing; leading to the
- further development of high-quality support to schools (characterised both by the breadth and depth of support offered)

It was determined that moving to an incorporated model would significantly increase the core costs of the DBE (e.g. finance, audit, legal, HR, IT, surveying, administration), whether they were provided by the DBF (20% VAT on costs) or directly employed, thereby reducing school-facing staff and the capacity of the DBE to actively support and resource the mission of the Diocese.

Any proposal to incorporate the DBE would also need to consider HR issues relating to the TUPE process, especially the costs related to pensions.

The Diocesan Board of Education

From January 2022, the DBE will be established by, but completely separate from, the DBF.

- It will be a committee of the DBF whose membership includes the Diocesan Secretary, one DBF member and an Archdeacon.
- It will be responsible for its own operations which are governed through Terms of Reference adopted by the DBF.
- Members are appointed by Synod in the usual manner (7) or appointed by the Bishop of St Albans (6).

School sites and trusts remain vested in the DBF. The Diocese of St Albans Educational Trust will continue to act on the DBE's behalf, as Diocesan Corporate Member for Church of England academy trusts in the Diocese.

Can the Board of Finance in its own right exercise any of the DBE functions delegated to the DBE Committee?

No, other than in exceptional circumstances. The Board of Finance may not in its own right exercise any DBE function delegated to the DBE Committee unless it is satisfied that:

(a) the DBE Committee (or a sub-committee of the DBE Committee) is failing to act in accordance with the 2021 Measure or the Scheme in relation to a particular DBE function; and

(b) the failure is significant.

Current timetable:

- 29 April 2021:** Royal Assent granted
- May-July 2021:** Draft Schemes and Terms of Reference prepared and submitted to C of E Legal Office
- 23 September 2021:** DBE formally consents to become a statutory committee of the DBF
- 16 October 2021:** Presentation to Diocesan Synod and Bishop Alan formally proposes, with the consent of the DBE, that the new Measure is adopted and that the DBE becomes a Statutory Committee of the DBF
- 18 October 2021:** Submission of proposal to the Archbishops' Council
- November 2021:** Proposal certified by Archbishops' Council
- 1st January 2022:** New DBE Measure comes into force



Synod resolution:

1. To approve the form of draft Scheme before it (which would designate The St Albans Diocesan Board of Finance as the Diocesan Board of Education of the Diocese of St Albans) in accordance with the proposal submitted by the Bishop of St Albans with the consent of the current Diocesan Board of Education.
2. To confirm that it is ready to make the Scheme, conditional on it being certified by the Archbishops' Council in accordance with s.23(1) of the Measure and that the Scheme will come into effect on the date specified in the certificate.
3. To authorise the submission to the Archbishops' Council of the draft Scheme and to request that the Bishop and Director of Education take such other steps as are necessary in connection with this process.

