

# Speech: Damian Hinds speech at National Governance Association conference

I want to begin with a huge thank you – to those of you in this room, and to governors, trustees and clerks, up and down the country.

One of our undoubted strengths as a country, a very British quality... is this sense of duty felt by communities towards our public institutions – we see our schools and the education of our children, rightly, as a shared responsibility, a shared enterprise.

But there are some people who take their share of responsibility to a much, much higher level.

What you do as governors and trustees can't simply be measured in hours spent. Although, of course, I do also recognise it is also a large volume of hours.

But it's also the weight of responsibility. Making budgets add up, recruiting and retaining staff, helping to set your school's whole ethos and vision for the future.

And of course, knowing all the while that these decisions will affect children's futures and, ultimately, our nation's future.

And I know that for some of you, the role of governor has also changed considerably in recent years.

There are now around 2,800 academy trusts involved in running schools, which means even greater reach and capacity to improve the education of even more children but also more responsibility as well.

So, once again – thank you. Whether you represent a primary or secondary school, an academy or local authority maintained school, a faith school, a Further Education College, or one of our incredible schools helping children with special needs or delivering Alternative Provision.

Thank you for volunteering and for fitting being a governor around your other jobs, your other commitments, and of course your families.

Fundamentally this is a people business. There is nothing more important in education than the people delivering it. Great teachers, great heads – and of course great governors.

Good and effective governance is essential for any school – you can't separate it from educational performance or good management.

So today I will talk about how I intend to support you, and support good

governance and leadership in schools.

And I'll start with recruitment and retention.

Now I know that for many of you teacher recruitment and retention is a top and live issue for many of you – and it's a top priority for me as well.

Yes it is true that there are more teachers in schools than ever before – but also pupil numbers are rising. And with an improving economy, the strong recruitment market the competition for bright graduates is intense.

So I am determined to make sure that teaching remains one of the most attractive and fulfilling jobs you can do.

By supporting schools to bear down on excessive workload.

By strengthening professional development, in the crucial early period and throughout careers.

And by promoting more flexible working – indeed we have a workshop here today.

I also want to do everything I can to help boost governor recruitment and retention – because simply we need more great people like you.

So today I'm issuing a call to arms, appealing to people up and down the country to join you in this vital role.

As Emma Knights has said previously, good governance needs a range of voices. And that was powerfully on display in the video we have just seen – and I champion the work NGA are doing, through your Everyone on Board campaign, to encourage more diversity – and for more women in leadership roles.

Governing and trust boards should reflect the communities they serve.

So, I want to urge people from different backgrounds, different professions, to come forward – to offer up their time, energy, skills, and expertise.

Parent governors continue to be crucial and I'd like to see more young people get involved, more people from black and ethnic minority communities, more people from right across society with the ability and experience to lead.

First, because so many people want to give something back to their community, this is truly one of the most valuable and far reaching ways you can do that.

Of course, it's not work to be undertaken lightly but there is great fulfilment to be found from it, as you know. Some of you start as a governor at your own children's school – they grew up, and you're still involved.

Because you care – because you're dedicated to doing your best for your school and, in a sense, your 'other' children – your extended and very diverse family.

All of whom you want to have the highest standard of education and the chance

to fulfil their potential.

And now that we have trusts that cover groups of schools, there are many more lives that volunteers can influence, going beyond their own immediate community.

Governors' own words on this will carry far more weight than mine – and that's why my department is launching a new recruitment video online for social media and asking you to add your voice to this call for more governors.

I'm also making an appeal today to the nation's employers.

Supporting your staff to be governors gives employers the opportunity to invest in their local community. The opportunity to shape the talent pool of the future – and, let's not forget, it is a great development opportunity for staff.

With the strategic thinking involved, the challenge of managing resources, of recruiting and retaining the best people. How can you beat that for personal and management development?

It's not just schools either – governors of Further Education colleges are key to providing the skills and training businesses need, and they will play a pivotal role delivering our new T Level qualifications.

So, that's why I'm writing to the 30,000 members of the Institute of Directors, urging them to encourage employees to take on this role, and give them the time it requires.

And I want to say thank you to Inspiring Governance and Academy Ambassadors for the work they do on recruiting and supporting new governors and trustees – if you are not aware of these organisations please do take a moment to look at their website and encourage others interested in volunteering to do so as well.

I also want to offer greater support to existing governors and trustees.

So I'm announcing today that funding for governor and trustee training will be doubled to £6 million up to 2021.

And we will continue to work with organisations, like the NGA, to develop and improve the guidance and other materials available to governors, trustees and clerks.

I recently spoke to heads from across the country – and I had a message for the many excellent schools, which was simply this: I trust you to get on with the job.

My vision for these schools is simply that they are clear on what's expected of them – and largely autonomous from government.

I have also acknowledged that, vital as accountability is, the current system

that we have can lead to stress and anxiety for some teachers, leaders and governors – the fear of inspection, of a single bad results year, the fear of the school being made to convert to an academy.

I want becoming an academy, with all the benefits that brings, to be a positive choice for schools – I don't want it to be seen as a punitive threat.

I recently set out key principles for how I see the accountability system working in the future, which we will be consulting on in the Autumn. I urge you and your schools to feed in your views.

In the future, an Ofsted Inadequate judgement alone would lead to hard action to convert a Local Authority maintained school to an academy. And schools will no longer face those visits from Regional Schools Commissioners' advisers that can sometimes feel a lot like an inspection.

On those rare occasions when a school is failing – be in no doubt – we will intervene fast and we will take the serious action necessary.

But otherwise, as I've said, I want to trust governing bodies and school leaders to get on with the job.

And that's why we'll also build on our offer of support to schools that need it. Here I want to recast accountability not as something to be feared, or a blame game – but rather analysing what's not working and then fixing it, collaboratively.

Let me say a word about multi-academy trusts.

The vision behind these trusts is a simple one: it's about schools together doing more than they can on their own. It's about great schools widening their influence, getting the best teachers to where they are needed, sharing best practice across their local area and beyond.

It's about finding more effective and more efficient ways of doing things.

Ultimately, it's about sharing knowledge and innovation – which of course is the basis of education and, indeed, all human progress. We pool our ideas, our experiments, our mistakes, and yes our successes – and we learn and improve.

And we know the academies programme has had a transformational impact in turning round failing schools. Ofsted data shows that over 480,000 children now study in sponsored primary or secondary academies that are good or outstanding, the vast majority of which are part of a multi-academy trust – and these were, typically, previously underperforming schools.

In 2014, around 2,500 state-funded schools were in Multi Academy Trusts. This has grown to around 6,200 this year and I do expect that's a trend which will continue.

This doesn't mean we won't still have diversity across the education system –

but increasingly I think we'll see more and more trusts being set up, growing to scale, and adopting the practices that, we know, quite simply, work.

We know that good governance, whether exercised at board or local level, is informed by meaningful engagement with parents to understand their views and listen to their feedback.

It is vital that boards are connected with the parents and carers and communities they serve. We do not want to see boards become detached or distant from parents.

But if trusts have a growing and increasingly important role in our system we need to make sure that our system of oversight and decision-making keeps up with that development.

Parents, carers – and indeed schools – want to know: what value are they getting for the money their trust spends?

And as a school system, we increasingly need to take decisions about trusts as well. Which trust is best placed to take on and improve a particular failing school? How quickly should we allow a particular trust to grow?

And – in rare cases – where the trust itself is failing or providing weak governance, we need to take action.

Of course, we can get part of the answer by looking at the educational performance of schools already in a trust. We already do this, through publishing MAT-level performance tables and working with Ofsted on batched inspections.

And in addition we publish considerable financial information about trusts – the latest academy trust financial benchmarking data will be published next week.

Our Regional Schools Commissioners use clear published criteria when deciding whether to allow a MAT to set up or expand.

But I recognise these approaches only take us so far. They don't give the full picture of the overall contribution made by the trust – including in governance and overall financial management – and what this means for its capacity to take on more schools.

So I have concluded that we need to have a transparent way of assessing the strength of individual trusts and the services they offer. The value for public money of their offer to schools.

This will make our decision-making more transparent and fairer. It will mean that schools and parents can easily access vital information about what being part of a particular trust will actually offer them.

We need to give real careful thought to how this would work. Which body or bodies are best placed to make this assessment of trusts.

The assessment will inevitably look different to an Ofsted school inspection – which will involve looking at very different things.

I want to take time to get this right, and I will not introduce anything that adds to teachers and school leaders and governors' workload.

So I will work closely with the sector, with Ofsted, the ESFA, my regional teams and others in the coming months.

In particular, I want to invite and listen carefully to proposals from MAT and school leaders across the country – before setting out a way forward later this year.

I want to make sure that every pound of public money for our schools is used in the best possible way for the good of our children and for our society. That means taking a tough approach in the rare cases where those involved in running schools break the agreements we have in place with them.

We will have a new more robust process to manage related-party transactions made by academy trusts.

Of course, some related-party transactions are perfectly legitimate and represent good value for money, but I think pretty much everyone would agree that a situation where board members could simply hand out contracts to companies that they or their family and business contacts have an interest – that is not okay.

Which is why from April trusts will have to seek approval from EFSA for related-party transaction payments of more than £20,000. Transactions below £20,000 will need to be formally declared.

We also want to be clear about our expectations on high pay – for all schools not just academies.

There is no doubt that our school system has many great leaders – and for large and complex organisations, pay, of course, must reflect the scale of the task.

However, pay needs to be proportionate, and I am clear that pay rises for non-teaching management should not exceed those awarded to teaching staff. And when considering what's fair, trusts and boards should not just compare pay rises over a single year, but look and compare over a number of years, at a time when public finances have been really stretched.

This is public money and, frankly, I think that for a headteacher or Chief Executive to be paid more than the Prime Minister, this should be only in exceptional circumstances for exceptional leadership.

So I want to urge all trusts to take a lead here and bear down on excessive salaries – you have our backing on that. In fact my department is today setting out clearer expectations around executive pay so you have the guidance you need.

We will be requiring academy accounts returns to detail all staff paid over £100,000 and the percentage of teaching time those individuals undertake.

And, rest assured, where salaries are too high – we will publicly challenge trusts and boards to justify themselves.

I've also said I want to work with schools of all types to help them with budgets and cost pressures.

And let me just acknowledge once again that, while it is true there is more money going in to schools than ever before, society asks more of schools than ever before. And budgets are tight.

I have pledged to work with schools as best I can to reduce some of the cost pressures. And as we enter negotiations in the run-up to the Spending Review I will of course be making a strong case to the Treasury to ensure our school system has the resources it needs.

We know that there are great suppliers out there – but frankly there are also companies that won't stop short of taking advantage. Equally, individual schools can find it hard to get the best deals and find economies of scale.

A few years ago schools were paying £75 per pupil for all their insurance requirements.

But DfE worked with the market to create a core cover protection offer, meaning that schools that join the scheme can save £40 per pupil, while even for schools not taking part market prices have dropped by an average of £20 per pupil.

And we're expanding the range of deals to help schools save money on goods and services that they buy regularly. For example, these can save schools up to 10% on their energy bills and up to 40% or more on printers, photocopiers and scanners.

And a new national deal on supply agency fees will be launched later this year. We know that schools have reported supply agencies demanding as much as 30% of a teacher's annual salary as a finder's fee where the school wishes to hire them permanently. Our new deal will drive down agency margins and restrict the use of finder's fees.

This year the government has been piloting two new approaches: buying hubs in the North West and South West which provide free procurement advice to more than 600 schools; and school resource management advisers providing hands-on support to schools that need it most.

We also have our top 10 planning checks and online benchmarking service – which help governors ask the right questions and check how their school or trust compares with others in similar circumstances.

Ladies and gentlemen, we want – we need – all schools to be offering world-class education to every child, in every classroom. As society progresses, it's right that we are even more ambitious for children and especially for

the most disadvantaged – including those with special needs, disabilities and children in the care system.

Once again – thank you. Without you our schools simply wouldn't run.

I pledge to work with the NGA and with businesses to encourage people to volunteer to become governors and do what you do. I'll help governors to access the training they need.

And, I'll support effective governance – making sure that our accountability system doesn't create unnecessary workload, but instead identifies where things aren't working and how we can fix it.

Helping more schools to work together including through Multi Academy Trusts and making sure that every pound counts.

Across all of this – there is only one aim, that we all share, to improve education for every child, whatever their background, wherever they live.

I will work with you, with the NGA, with all governors and all schools – to seek to make this shared ambition come true.

Thank you.