

Funding withdrawn for trusts and academy conversions

20 November 2024

Schools that are considering converting to academy status should be aware there are now further Department for Education (DfE) cutbacks following the change in eligibility criteria for the support grant earlier this year.

The support grant for schools to voluntarily convert to an academy will end on 1 January 2025.

The DfE previously announced that from 1 September 2024, subject to exceptions for special and alternative provision schools, the academy conversion support grant would only be paid to schools approved to join or form a trust as part of a group of three or more schools.

To apply for the support grant, a school must now:

- Meet the eligibility criteria.
- Submit the application by 20 December 2024.

Given the DfE guidance refers to the grant supporting schools to convert 'voluntarily' suggests funding will remain available for sponsors of schools who are forced to convert under a Directive Academy Order.

Growth opportunities

The DfE's rationale behind the initial changes earlier in the year was it wanted to support trusts to think strategically about growth opportunities, working with sustainable groups of schools to drive improvement and build resilient organisations.

This latest change of withdrawing the grant all together presents difficulties for both schools wishing to convert to academy status in addition to trusts wanting to expand their organisations.

TCaF funding has been withdrawn

As a double blow, the trust capacity fund (TCaF) for bidders in window 4 has been withdrawn. The TCaF fund is aimed at supporting growth in the trust sector, but the DfE has now stated that there are currently no plans to introduce future rounds of funding.

The Confederation of School Trusts (CST) has expressed disappointment stating:

"Ending the academy conversion support grant will leave, in particular smaller primary schools very vulnerable and without the financial and educational sustainability that comes from being part of a trust. It is a short-sighted decision that will weaken the school system."

"A cause for concern"

This recent development is disappointing and a cause for concern, especially for smaller academy trusts who will likely struggle to bridge the gap to fund the essential services provided throughout the conversion process. Growth may be limited as a result and accessible for the larger MATs.

The future is uncertain...

The future is uncertain, it's hard to envisage that these cutbacks will not cause widespread disruption to the education sector.

Further information on the changes are available on [the DfE website](#) and you can [access guidance to help you through the academy conversion process here](#).

Please get in touch if you have any questions about these changes or need advice on how these changes might affect your prospective plans to convert to academy status.

Key contact



Lydia Michaelson-Yeates

Partner

lydia.michaelson-yeates@brownejacobson.com

+44 (0)121 237 3986

Related expertise

Academy conversions

Education law

Public contracts, projects and funding

Public law