

Dudley Metropolitan Borough Council

Schools Forum - 6 December 2005

Report of the Director of Education and Lifelong Learning

Primary Schools Review

Purpose

1. Cabinet approved recommendations to publish statutory notices proposing the closure of five schools with effect from 31 August 2006. The admission numbers will be increased or decreased in schools. These changes will require additional revenue funding for parents, schools and staff. School Forum is requested to support the recommendations in this report for the proposed redistribution and use of this revenue funding.

Background

2. KPMG drew attention to the problem of surplus places in Dudley in 1999. OFSTED commented further in the report on Dudley LEA in 2000 and again in 2002.
3. A primary school review in 2002 stopped short of publication of statutory notices but led to a limited number of changes including proposals to close Halesowen CE and Hasbury CE Primary Schools and open a new VA primary school in Halesowen.
4. Progress accelerated in 2004 with the Primary Review Refresh Consultation on statements of principle and intent. The responses resulted in a framework of criteria for use in shaping specific proposals for changing the pattern of primary school provision in Dudley. Consultation on specific proposals started on 12 September and ended on 21 October. The responses to the consultation were considered by Cabinet on 17 November. Cabinet approved recommendations to publish statutory notices on the proposals set out in Appendix 2 of the report.
5. The annual birth rate in Dudley has fallen from a peak of 4,116 in 1990 to 3,344 in 2003. There was a slight increase to 3,514 in

2004 but long term predictions indicate births of around 3,300 per year until 2027.

6. The DfES calculates the minimum education budget for Dudley on the number of pupils attending its schools. As the demand for places falls, schools will receive proportionately lower budgets, adding significantly to the difficulty for schools in meeting the costs of the quality of education to which all pupils are entitled.
7. Based on the number of children already born, primary school numbers are projected to fall by a further 2,358 by 2010. This will lead to an annual fall of over £1m in the Councils revenue grant funding from the DfES over the next few years. By 2010, based on the current per pupil funding unit of £3,329, primary school budgets will have £7.8 million less at current prices compared with 2005/6.
8. The primary sector delegated budget in the current financial year is £71.3 million or 49% of the total resource delegated to schools. If the current provision of 82 primary schools were maintained with 2,358 fewer pupils, it is estimated that each primary school budget would be reduced by an average of 10% by 2010. Individual primary school budgets currently range from £0.5m to £1.9m. Schools could expect to see an annual reduction in each of the next few years and leading to a gap in their budgets ranging from £50k to £190k by 2010.
9. The average allocation of delegated budgets is 83% staffing, 6% premises and 11% supplies and services. It is not feasible, even where there are high levels of reserves, that schools will be able to balance budgets without severe impact on staffing and the overall quality of education.
10. The current position is not sustainable and action is needed now to ensure there is an adequately resourced change programme leading to a new pattern of primary school provision in which all schools are financially and educationally sustainable. Changing the current pattern involves extra costs for some schools. This can only be met through all schools owning the problem collectively and enabling a short term redistribution of existing resources. Failure to resource this programme adequately will result in major difficulties for individual schools, longer term difficulties for all

schools and severe impact on outcomes for children. This is not an acceptable scenario.

Proposals

11. Children and families

Parents of schools proposed for closure will be asked to express preference for alternative places in other schools. This is likely to require additional expenditure for families with children transferring to Year 1 to Year 6 classes in other schools. It is essential that the impact of transition is managed sensitively and smoothly with minimum disruption and impact on each child's emotional well-being. It is proposed to offer a one off grant of £50 for each child required to transfer from a school proposed for closure to the roll of another Dudley primary school. Eligibility would be restricted to pupils currently in Reception to Year 5 and to transfer in September 2006. This is likely to affect approximately 700 pupils with a total one-off cost in 2006/7 of £37,000.

12. Schools

Schools proposed for closure face additional challenges in ensuring that all pupils receive appropriate levels of support in transferring to other schools. This applies even if they may be located in the same buildings as now but from September 2006 as an annexe to another school. Appropriate arrangements will also be required to support staff in transferring to the establishment of the new school or in securing alternative posts in other Dudley schools or elsewhere. The demands on the leadership and management of these schools in sustaining the quality of provision through this difficult period whilst preparing for closure are significant. These challenges will be eased with additional revenue support. It is proposed, subject to School Organisation Committee decisions on closure proposals, to allocate a one off revenue grant of £40k to each of Beauty Bank, Halesowen CE, Hasbury CE, Highfields, Holt Farm, Maidensbridge and Sycamore Green Primary Schools. The grant will be for the period April to August 2006. The total cost will be £280k.

Christ Church CE, Greenfield, Hurst Green, Wrens Nest and one other primary school will also have additional challenges. Preparing for the additional responsibilities of receiving staff and children from schools

proposed for closure and for an additional site will be demanding on leadership and management and the school overall. These challenges will also be eased with additional revenue support. It is proposed, subject to School Organisation Committee decisions on closure proposals, to allocate a one off revenue grant of £40k to each of the five schools named above. The grant will be for the period April to August 2006. The total cost will be £200k.

13. Staffing

There may be a further requirement to support staff currently in schools proposed for closure. For example, should any staff not wish to transfer to the staffing establishment of the named school above and can only secure a post in a Dudley school at a lower grade the cost of the difference will need to be met. It is not possible at this stage in the process to quantify the likely resource required. A further report on this provision will be considered at Schools Forum including the likely demand, timescales, eligibility for support and financial controls. It is proposed to establish a contingency fund of £50k for 2006/7 for this purpose. Should the fund not be required it will be distributed to primary schools through the formula.

Funding

14. There is no additional funding available to meet these costs. The costs of the proposals can only be met from existing resources. There are two sources.

Schools Forum has expressed support for the Director of Children's Services to exercise powers to reclaim excess school reserves for redistribution to schools. Detailed work is ongoing to establish the background to the surplus balances held by Dudley schools; reports have been issued to Schools Forum earlier on in the year. It is proposed that this reclaimed amount, still to be determined, is used to meet the costs of the revenue support outlined above.

There is provision within the School Financing Regulations to allocate an amount from the Schools Budget to meet the costs of major initiatives such as School Organisation. It is proposed to fund the difference between the amount reclaimed from school reserves by

allocating funding from the Schools Budget as a one off 'top slice' arrangement in 2006/7.

Recommendation

15. Schools Forum is invited to note the contents of this report and advise the Director of Children's Services in respect of the proposals outlined in the report.

A handwritten signature in black ink that reads "John Freeman". The signature is written in a cursive style with a large initial 'J'.

Director of Children's Services

Contact Officer: Ray Watson
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Background Papers

The under-mentioned papers were used in the compilation of this report:

Cabinet Report 17 November 2005