

SCHOOLS' FORUM – 6th JUNE 2022

REPORT BY BI-BOROUGH DIRECTOR FOR EDUCATION

REPORT FROM ISOS WORKING GROUP RE UPDATE ON PRIMARY SCHOOL CAPACITY

PURPOSE OF REPORT

This report provides an update from the recent Westminster Strategic Working Group and recommends the next steps.

FOR DECISION

1. BACKGROUND

In May 2020, Schools Forum commissioned ISOS Partnership to work with schools, the local authority, and both dioceses to carry out a rapid review of primary school capacity and financial pressures in Westminster. The outcome of the review was reported to Schools Forum, and they agreed to the appointment of a working group to oversee the delivery of the recommendations of the review. Three recommendations were agreed from the review; (1) reduce surplus capacity; (2) support schools' financial management, and; (3) maximise pupil numbers. This report provides an update from the Working Group and the recommendations that have been reviewed to reduce surplus capacity across primary schools.

2. REMOVAL OF CAPACITY

- 2.1 It was agreed at the March 2022 Schools Forum meeting that five forms of entry should be removed from primary provision by September 2023 to achieve a manageable surplus that will allow for mobility, an element of choice for parents and improved financial viability for all primary schools. The most recent recorded surplus, as at January 2022 pupil census, is 23.1% which is an increase of 0.7% compared to the October 2021 census (22.4% surplus). Five forms equates to 150 places removed from the first point of entry (reception) that will then work its way through the school each year reducing overall capacity. In most cases, schools that reduce their PAN permanently or amalgamate will already be operating below PAN in other year groups and will have informal caps in place to support and manage resourcing of staff.

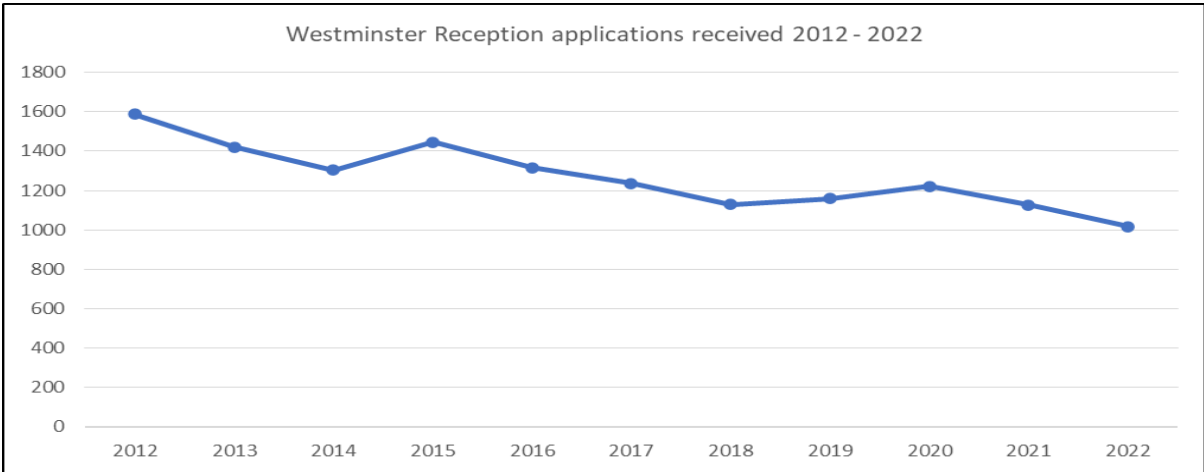
2.2 At present the reduction of two and a half forms of entry have been approved (75 places) by governing bodies. The removal of a half form of entry (15 places) at Our Lady of Dolours Catholic School has been agreed and will be removed with effect from September 2022. The proposal to amalgamate Westminster Cathedral and St Vincent de Paul Catholic schools was formally approved on 10 March with the schools amalgamating in September 2022, which will remove one form of entry (30 places). The Council consulted on reducing the George Eliot Primary School PAN from 60 to 30 and this was formally determined on 28 February; the reduction will take effect from September 2023.

2.3 Informal capping of year groups continues to be in place for several schools that are larger than one form of entry to support the resourcing and staffing. Capping is only a temporary measure that is agreed between the LA and the school to support resourcing and financial management. However, this measure is not recognised legally and cannot be a long-term solution. The working group will be looking at schools where informal capping has been in place for some time and consider whether a permanent reduction in PAN for the 2024 year of entry should be the plan of action.

3. OUTURN OF RECEPTION OFFERS 2022

3.1 Westminster Council, and many other London LAs, have seen a significant drop in the number of reception class applications submitted over the last two years due to the pandemic. Since the 2020 reception round there has been a 17% fall in the number of on-time applicants. Following the reception 2022 allocations there is an overall projected surplus capacity of 29.2% for the reception year group across Westminster for September 2022 based on published admission numbers. Out of the 38 primary schools included in the process, 32 either had vacancies or only a very short waiting list at the end of the offer process.

The following chart shows the fluctuation and overall decline of the number of on-time Reception applications received over the last ten years.



3.2 The Admissions Team have received approximately 60 late applications since reception offer day on 19th April with a projected 30-40 further late applications by September 2022. However even with these additional applications, which is comparable to previous years, a significant surplus will remain.

4. FINANCIAL IMPACT OF SURPLUS PLACES

4.1 As the majority of school funding, in accordance with DfE funding regulations, has to be allocated on the basis of pupil numbers, the impact of surplus places can be significant to a school's overall budget and financial viability. For every surplus place schools lose on average £6,900 per pupil (including the school supplementary grant) and therefore 10 surplus places equates to £69,000 while a school may still have the same number of year groups and class teachers. A one form entry school with 10% surplus will have about £145,000 less funding than a school with no surplus places. This demonstrates the significant budget impact surplus places has on school budgets and why reviews of school costs need to be undertaken at an early stage before the school is facing a significant deficit.

4.2 It is key that schools experiencing falling rolls produce realistic 3 year budget plans (in accordance with all DfE requirements for all schools) and deficit recovery plans (if necessary) and consider their options regarding future financial viability. These options could including staffing restructures, reducing costs, reducing their published admissions number (if larger than one form of entry) and amalgamating with another school(s).

4.3 Schools are required to provide regular budget monitoring reports, monthly for schools with deficits and quarterly for other schools. These reports enable an assessment of whether schools are on track with deficit recovery plans and budget plans and help target support to schools. It should be noted that headteachers and in exceptional circumstances chairs of governors will be contacted where schools do not submit financial returns in accordance with WCC deadlines.

4.4 Additional financial consultancy advice has been available to schools in deficit and facing budget pressures. The schools finance team also continue to provide additional training for bursars, heads and governors.

5. NEXT STEPS

5.1 The Working Group met on 12th May to consider further realistic options that will work towards reducing the continuing increase in the surplus capacity. To inform the discussion members had sight of the recent primary reception offers made on 19th April for children starting school in September 2022. Whilst the overall applications continue to decline, a small number of schools did see a

slight increase in applications. This increase however will be at the detriment of other schools that experienced a decline.

- 5.2 The Working Group were asked to consider whether the proposed removal of five forms of entry goes far enough to address the issue of surplus capacity in Westminster. Taking account of the reception figures for 2022, it was agreed that the initial Isos recommendation made in 2020 needed to increase so that 7-8 forms of entry in total are removed by September 2025. Careful planning will apply based on geographic proximity to other schools to ensure that there is no 'over-correction' in any one part of the borough which could result in a reduced choice for parents.

6. RECOMMENDATIONS

Schools Forum is asked to:

- 6.1.1 agree that the working group continues to support schools to consider all possible options that will reduce the overall primary provision capacity by 7-8 forms of entry by the start of the academic year 2025.
- 6.1.2 agree that the Working Group continues to receive information on the deficit position of schools with significant surplus places to inform options to reduce capacity.

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