

# SCHOOLS FORUM

THURSDAY, 17TH JANUARY, 2019

At 2.00 pm

in the

ASCOT AND BRAY - TOWN HALL,

## SUPPLEMENTARY AGENDA

### PART I

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
8.	<u>WINDSOR SCHOOL PLACES FALLING ROLLS</u>  To receive the above reports.	3 - 10

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## ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

Date:	<b>17<sup>th</sup> January 2019</b>	<b>AGENDA ITEM:</b>
Title:	<b>Windsor School Places Falling Rolls</b>	
Responsible officer:	Kevin McDaniel, Director of Children's Services	
Contact officer:	James Norris, Head of Finance (RBWM) Achieving for Children	Email: <a href="mailto:James.norris@achievingforchildren.org.uk">James.norris@achievingforchildren.org.uk</a>
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### 1. PURPOSE AND SUMMARY

- 1.1 To provide initial options on school places in Windsor, in response to falling demand.

### 2. RECOMMENDATIONS

- 2.1 That the Forum notes the contents of this report.

### 3. FINANCIAL SUMMARY

#### Projected demand to September 2024

- 3.1 Each year, the Royal Borough projects the demand for school places. These projections, which take account of underlying demographics and housing growth, are submitted to the government as part of the school capacity (SCAP) survey. The projections and accompanying commentary is published online and circulated to schools.
- 3.2 After a period of sustained growth, the demand for Reception places in Windsor to September 2021 is now set to fall, as set out in Figure 1 below.

**Figure 1: Projected demand for Reception places in Windsor to September 2021.**

	Actual				Projected			
Year	2014	2015	2016	2017	2018	2019	2020	2021
<b>Total places</b>	605	545	575	545	545	545	545	545
<b>Reception NOR</b>	<b>525</b>	<b>511</b>	<b>531</b>	<b>500</b>	<b>488</b>	<b>444</b>	<b>482</b>	<b>437</b>
<b>Surplus/Deficit</b>	+80	+34	+44	+45	+57	+101	+63	+108
<b>% Surplus/Def.</b>	<b>+13.2</b>	<b>+6.2</b>	<b>+7.7</b>	<b>+8.3</b>	<b>+10.5</b>	<b>+18.5</b>	<b>+11.6</b>	<b>+19.8</b>

- 3.3 Demand is falling in response to lower birth rates and there is some evidence that migration into the area is also falling.
- 3.4 These projections suggest a potential surplus of 101 Reception places (18.5%) in September 2019 and 108 Reception places (19.8%) in September 2021. This is well above the borough's target of 5% surplus places. Having some surplus places is desirable, as it:
- allows the operation of parental preference;
  - keeps spare places for families moving into the area; and

- allows for a margin of error in the pupil projections.

- 3.5 Too many surplus places can, however, make schools unviable, running the risk of school closures.
- 3.6 Confirmation of the number of applications for Reception places in Windsor is expected in February 2019. This will give an indication as to whether the drop in demand is as severe as projected.
- 3.7 The smaller Reception cohorts will eventually transfer into the middle and upper schools.

**Figure 2: Projected demand for Year 5 places in Windsor to September 2024.**

	Actuals				Projected						
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total places</b>	450	450	450	480	510	540	540	540	540	540	540
<b>Year 5</b>	<b>401</b>	<b>431</b>	<b>453</b>	<b>449</b>	<b>482</b>	<b>499</b>	<b>491</b>	<b>489</b>	<b>468</b>	<b>479</b>	<b>483</b>
<b>Surplus/Deficit</b>	+49	+19	-3	+31	+28	+41	+49	+51	+72	+61	+57
<b>% Surplus/Def.</b>	<b>+10.9</b>	<b>+4.2</b>	<b>-0.7</b>	<b>+6.5</b>	<b>+5.5</b>	<b>+7.6</b>	<b>+9.1</b>	<b>+9.4</b>	<b>+13.3</b>	<b>+11.3</b>	<b>10.6</b>

**Figure 3: Projected demand for Year 9 places in Windsor to September 2024.**

	Actuals				Projected						
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total places</b>	448	452	452	512	512	512	512	512	512	512	512
<b>Year 9</b>	<b>406</b>	<b>406</b>	<b>404</b>	<b>457</b>	<b>425</b>	<b>466</b>	<b>480</b>	<b>465</b>	<b>513</b>	<b>539</b>	<b>533</b>
<b>Surplus/Deficit</b>	+42	+46	+48	+55	+87	+46	+32	+47	-1	-27	-21
<b>% Surplus/Def.</b>	+9.4	+10.2	+10.6	+10.7	+17.0	+9.0	+6.3	+9.2	-0.2	-5.3	-4.1

- 3.8 There is some volatility in the demand for middle school places, but larger surpluses are likely to appear towards the end of the projection period. For the upper schools (including the Year 9 places at Holyport College), demand is set to increase during the projection period.

#### Army unit moves

- 3.9 In May 2019, the Household Cavalry, currently based at Combermere Barracks in Windsor, is moving out and will be replaced by the Welsh Guards. The borough is still in the early stages of liaising with the Welsh Guards to establish how many children will move in. The initial indications are that between 120 and 150 families will move into housing at the Broom Farm estate.
- 3.10 There is some potential for an increase in pupil numbers in Windsor, which would in turn decrease the projected surplus of places. The borough is hoping to get greater clarity on numbers leaving and arriving in January 2019.

#### The Borough Local Plan and new housing

- 3.11 The projections above include the impact of new housing expected in Windsor over the next few years. The borough is also considering, however, the likely impact on education of the new dwellings identified in the draft Borough Local Plan.
- 3.12 As it currently stands, the plan envisages an increase in the number of dwellings in the Windsor area from 18,104 (as at March 2017) to 20,342 by 2033. This is an increase of 2,238 (12.4%). Although the scale of increase is less than in other parts of the borough there is likely to be significant impact on the demand for school places.
- 3.13 The potential impact of these new dwellings on a near worst case scenario has been assessed, called the 'IDP Scenario'. This is based on the maximum existing demand

(or projected, for middle and upper schools where the peak is yet to come) + the demand arising from the new housing + a 5% surplus.

- 3.14 This has been compared to the capacity currently available in the system, and concluded that, to meet the IDP Scenario, the following additional capacity in the system would be needed:
- First schools: +120 places per year group (+4 forms of entry [FE]) to 648 Year R places.
  - Middle schools: +90 places per year group (+3 FE) to 591 Year 5 places.
  - Upper schools: +104 places per year group (+3.5 FE) to 606 Year 9 places.

- 3.15 You can find much more detailed analysis about this at the following link:

[www3.rbwm.gov.uk/info/200168/schools\\_and\\_schooling/1117/school\\_organisation\\_places\\_and\\_planning/6](http://www3.rbwm.gov.uk/info/200168/schools_and_schooling/1117/school_organisation_places_and_planning/6)

#### Implications

- 3.16 The challenge for schools in Windsor and for the borough, therefore, is to manage a temporary reduction in demand for places in Windsor first schools, whilst retaining existing capacity to help meet likely future demand.

#### 4. Option A: Do nothing

- 4.1 The fourteen first schools in Windsor have a total of 545 places per year group, as set out in Figure 4. One option to the reduction in demand would be to do nothing, with parental preference determining which schools end up with significant spare capacity.

**Figure 4: PANs at Windsor first schools and recent demand**

School	PAN	FE	2018 1 <sup>st</sup> prefs.	Oct 2018 Yr. R NOR	No. surplus	% surplus
Alexander First School	30	1.0	18	13	17	57%
Braywood C of E First School	30	1.0	25	26	4	13%
Clewer Green CE School	60	2.0	39	48	12	20%
Dedworth Green First School	30	1.0	24	27	3	10%
Eton Porny C of E First School	30	1.0	22	24	6	20%
Eton Wick C of E First School	30	1.0	20	18	12	40%
Hilltop First School	45	1.5	41	42	3	7%
Homer First School and Nursery	45	1.5	35	39	6	13%
King's Court First School	45	1.5	28	42	3	7%
Oakfield First School	60	2.0	68	58	2	3%
St Edward's Catholic First School	60	2.0	61	59	1	2%
The Queen Anne RF CE First School	30	1.0	31	30	0	0%
The Royal School (Crown Aided)	20	0.7	49	20	0	0%
Trinity St Stephen CE First School	30	1.0	27	26	4	13%
<b>TOTAL</b>	<b>545</b>	<b>18.2</b>	<b>488</b>	<b>472</b>	<b>73</b>	<b>13%</b>

- 4.2 All but two schools already have some spare places, as at the time of the October census. Most of the remaining surplus is concentrated at three schools. A drop of a further 35 in the Reception numbers is likely to widen the number of schools with a larger surplus.
- 4.3 This brings two risks. Firstly, schools with fewer pupils on roll receive less money, becoming less financially viable. As a collective the above schools reported net balances as at 31st March 2018 in the region of £800,000. This balance is expected to reduce significantly for the 31st March 2019 outturn. Eight first schools have PANs of 30 or less, and most of these are already not full in Reception.
- 4.4 Secondly, the Infant Class Size legislation brings particular risks to schools with a PAN greater than 30. The legislation still requires that infants are not taught in classes with a ratio of more than 30 children to one teacher. If a school's intake reduced to, say, 31 or 32, the school would still be obliged to employ two teachers to teach that year group, even though the revenue funding from the additional one or two children would fall far short of that required to fund those staff.
- 4.5 An indicative breakeven point for funding two teachers would be a PAN of 39, based on assumptions of staff pay rates and the level of other non-teaching staff costs. All three schools with PANs of 45 (Hilltop, Homer and King's Court) are at risk of falling below this threshold with, again, only relatively small further reductions in intakes. There would appear to be less risk of this at the three schools with a PAN of 60 (Clewer Green, Oakfield and St Edward's), although Clewer Green's 2018 Reception intake is closer to 1.5 FE.
- 4.6 Whilst the schools currently hold significant balances, a reduction of 35 pupils in Reception flowing through would reduce annual funding by £135,000.
- 4.7 Doing nothing, therefore, risks significant losses of revenue forcing unplanned changes to school organisation, causing disruption for schools and, potentially, pupils.

## 5. Option B: Temporary reductions in PANs

### The proposal

- 5.1 Under this proposal, temporary reductions to two or three school PANs would be made, reducing the number of Reception places by 1.5 to 2 forms of entry. Those PANs would then be restored to the original number as demand rises.

### Reducing the Published Admission Number

- 5.2 The places available in each year group – known as the Published Admission Number (PAN) – are set roughly eighteen months in advance following annual consultation on the school admissions arrangements, as set out in the School Admissions Code. This means that schools and the borough are currently consulting on admissions arrangements, including PANs, for September 2020. These must be agreed early in 2019.
- 5.3 After PANs have been set, they can only be reduced by applying to the Office of the Schools' Adjudicator (OSA) for a variation to the published admissions arrangements. This process involves consultation with local admissions authorities and the submission of a case for the variation to the OSA. Applications of this nature have become more common recently as schools and local authorities react to low demand. The process usually takes about three months.
- 5.4 A reduction in the PAN, via either the normal process or the OSA, does not preclude a school then admitting above that PAN (e.g. if demand is then higher than anticipated when the reduction was made). The reduction can also be reversed through the annual consultation on school admissions arrangements.

### Potential reductions in Windsor

- 5.5 A 5% surplus on the projected demand of 437 for Reception in September 2021 would require the borough to have around 460 places available across the fourteen first schools. This is a reduction of 85, or 2.8 FE, on current provision.
- 5.6 It may not be necessary to reduce quite that far, as the first schools have sustained higher surpluses in the past (ranging from 6% to 13% between 2014 and 2017, see Figure 1). Figure 5 sets out the impact of temporary reductions to different levels of surplus in September 2021.

**Figure 5: Reductions required for various levels of surplus as at September 2021**

2021 Reception projection	Surplus %	Surplus numbers		Places required		Reduction on current	
		No.	FE	No.	FE	No.	FE
437	19.8%	108	3.6	545	18.2	0	0.0
437	15.0%	77	2.6	514	17.1	31	1.0
437	12.0%	60	2.0	497	16.6	48	1.6
437	10.0%	49	1.6	486	16.2	59	2.0
437	8%	38	1.3	475	15.8	70	2.3
437	6%	28	0.9	465	15.5	80	2.7
437	5%	23	0.8	460	15.3	85	2.8

- 5.7 A reduction of around 2 FE would reduce the projected surplus to around 10%. This is still relatively high, but more manageable than the projected 20% surplus.
- 5.8 Assuming that no school would want to reduce to a PAN of 15, there are, sensibly, only six options for temporary reductions:
- Clewer Green CE School (down from 60 to 45 or 30).
  - Hilltop First School (down from 45 to 30).

- Homer First School (down from 45 to 30).
- Kings Court First School (down from 45 to 30).
- Oakfield First School (down from 60 to 45 or 30).
- St Edward's Catholic First School (down from 60 to 45 or 30).

5.9 A combination of temporary reductions across these schools could provide an overall drop of 1.5 to 2.0 FE.

#### Issues with reductions in PANs

- 5.10 There are a number of issues for schools to consider in relation to reducing PANs:
- **Timing.** Changes to the school structure need to be planned sufficiently in advance to allow time for staffing alterations which, in this case, could mean redundancies. Realistically, therefore, any processes associated with agreeing the reduction in PAN for September 2019 would need to be complete before Easter.
  - **Staffing.** Clearly, the major impact on schools from reducing numbers will be a need for fewer staff and, potentially, redundancies. The Scheme for Financing Schools sets out the conditions for charging schools with the cost of redundancy. The expectation would be any such costs would be charged to the Individual Schools Budget and would need to be met from existing school balances.
  - **School organisation.** For schools with mixed year group teaching, reductions in PANs, and particularly temporary reductions, may be particularly tricky to address. For example, a school changing from a PAN of 45 to 30 could, in the second year of change, have 30 children in Reception and Year 1, but 45 in Year 2. This gives 3.5 classes, and could result in a temporary imbalance between revenue funding and staffing needs.
  - **Revenue.** Local authorities do not receive any funding towards setting a Falling Rolls Fund (FRF). Creation of a falling rolls fund must be deducted from Individual Schools NFF allocations and approved by the Schools Forum. No fund was approved for 2019/20.
- 5.11 Generally, schools reducing their PANs on a temporary basis would be expected to retain their accommodation for a future expansion back to their original PAN. This approach retains sites and buildings for use when demand rises again in the future. Growth Funding would also be available subject to the usual criteria.
- 5.12 Although, therefore, there could be issues for individual schools to address in reducing their PAN, it is our view that schools risk facing these issues anyway as demand falls. Agreeing a programme of temporary reductions has the advantage of managing this in a planned way, reducing the disruption for schools and parents.



## 6. Option C: Closer working together

### The proposal

- 6.1 First schools would take greater advantage of the opportunities for revenue savings through closer working together, whether by operating as federated schools, joining a multi-academy trust or amalgamating. This option could be implemented alongside temporary reductions in PANs or as a financial alternative.

### Federations

- 6.2 A federation is a group of two or more maintained schools who share a single governing body. This governing body has overarching responsibility for their governance and sets the strategic direction for the schools. The schools do, however, remain separate, with individual school budgets and admissions arrangements. The schools also remain separate for the purposes of Ofsted inspections and performance tables.
- 6.3 Federation is not be confused with collaboration, which is a less formal arrangement in which the governing bodies remain separate but establish a joint committee(s) for a specific purpose.<sup>1</sup>
- 6.4 This paper does not examine the pros and cons of federations, but in the context of reducing demand for school places, federations do offer some potential for efficiencies and cost savings. Federations may benefit from economies of scale including staffing levels for the following:
- Site controller
  - Business Manager
  - SENCO
  - Pastoral Support
  - School Leadership
- 6.5 Federation may offer some financial advantages over amalgamation (below), depending on the individual circumstances of the schools – e.g. schools in a federation retain their lump sum, which could outweigh any savings made through economies of scale in an amalgamation.
- 6.6 There is one federation operating in Windsor, with The Lawns part of the Cookham, Maidenhead and The Lawns Nursery School Federation.

### Multi-academy trusts

- 6.7 A Multi-Academy Trusts (MAT) is a group of two or more academies that share one academy trust. This trust has overarching responsibility for their governance and is responsible for the performance of each school in the group. There are various available structures for a MAT, but in all cases the MAT is the employer of staff and is in control of the overall budget. The schools do, however, remain separate for the purposes of admissions arrangements, Ofsted inspections and performance tables. Joining a MAT is the DfE's preferred approach for all new academies.
- 6.8 This paper does not examine the pros and cons of joining a MAT, but in the context of reducing demand for school places, MATs do offer some potential for efficiencies and cost savings – e.g. having one executive Headteacher across two or more schools. Staff can be deployed across the schools as required. MATs also benefit from being able to purchase services as one entity, offering the potential for preferable contracts.

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<sup>1</sup> Previously, the type of federation described in paragraph 6.2 was known as a 'hard' federation, whilst the collaborative arrangement set out in paragraph 6.3 was a 'soft' federation. Those terms are potentially confusing and no longer in use.

- 6.9 There are currently four MATs operating in Windsor:
- **Oxford Diocesan School Trust**  
St Peter's CE Middle School (with 32 other CE schools in the borough and elsewhere).
  - **Pioneer Educational Trust**  
Trevelyan Middle School (together with two Slough schools).
  - **SEBMAT**  
Eton Porny CE First School (together with two Slough schools).
  - **Windsor Learning Partnership**  
Dedworth First School.  
Dedworth Middle School.  
The Windsor Boys' School.  
Windsor Girls' School.

#### Amalgamations

- 6.10 Amalgamation involves two or more schools becoming one school. This is most often used where an infant and junior school amalgamate to become a primary school. Here, the amalgamation is achieved by closing one of the schools, and extending the age range of the other school to cover that of the closing school. The new primary school would then have one school budget, one set of admissions arrangements and all the staff would be working for the one school. The amalgamated school would also be regarded as a single school for the purposes of Ofsted and school performance.
- 6.11 Amalgamation could be applied in other circumstances, e.g. two or more first or middle schools amalgamating, or a first and middle school amalgamating. The schools do not have to share the same site to amalgamate, and can operate as a split site school.
- 6.12 This paper does not examine the pros and cons of amalgamation, but in the context of reducing pupil demand, amalgamation may offer some efficiencies and cost savings – e.g. having one Headteacher instead of two. An amalgamated school may also benefit from being able to purchase services as one entity, offering the potential for preferable contracts. These gains would need to be compared to the loss of the individual school lump sums, to see if the overall impact is financially beneficial.

## **7. NEXT STEPS**

- 7.1 Achieving for Children Officers will undertake further analysis of the pupil projections and financial implications with a further update will be presented to Schools Forum at its meeting in July 2019.