

From: Roger Gough, Cabinet Member for Education and Health Reform
Patrick Leeson, Corporate Director, Education and Young People's Services

To: Education and Young People's Services Cabinet Committee – 8 July 2015

Subject: Future Provision of Secondary Education in Kent

Classification: Unrestricted

Electoral Division: All

Summary: This report sets out for Cabinet Committee the requirements for the provision of Secondary education in Kent over the next several years, following on from the significant increase in the number of pupils attending Primary Schools who will shortly require additional places in Secondary schools. The report includes the necessary strategies to continue to manage the supply of school places, in a way which secures improved educational standards and financially viable schools.

The priorities are to:

- (i) ensure that all young people have access to Secondary schools within reasonable travelling distance, judged good or outstanding by Ofsted, which meet the floor standards at Key Stage 4, and provide good pathways to high quality post 16 education or training;
- (ii) plan for the immediate small, very short term decrease in Secondary numbers, and support the schools most affected by that, followed by a large sustained increase;
- (iii) support more 'vulnerable' schools while numbers are low;
- (iv) and commission new provision to meet rising demand.

The report sets out the context of Secondary education in Kent, and its strategic direction for the next several years. The contents of this report will be set out in more detail in autumn 2015, in the next iteration of the Education Commissioning Plan.

Recommendation:

The Education and Young People's Services Cabinet Committee is asked to consider and endorse the report, and in particular to note the actions that are necessary to support 'vulnerable' Secondary schools and to increase Secondary school capacity to meet the demands of a growing Secondary school population.

1 Introduction

- 1.1 This report sets out the priorities for Secondary education in Kent in the next several years, to increase capacity to meeting the rising demand of pupil numbers.

1.2 These priorities include:

- Maintaining and improving standards in the context of a period of significant pupil growth at the same time as school funding is reducing in real terms
- Preparing for the large increase in Secondary numbers as a consequence of increased birth rates and inward migration to Kent which will require 60 additional forms of entry across the county by 2018 and beyond (as set out in the *Commissioning Plan for Education Provision in Kent 2015-2019*)
- Providing effective support to 'vulnerable' Secondary schools that in the short term are experiencing falling numbers on roll and consequent budgetary difficulties
- Continued development of the diverse market in educational provision whereby most Secondary schools in Kent are academies or part of academy trusts, and new schools require academy sponsors, so that the local authority has to be a successful commissioner working effectively with governing bodies, academy trusts, the Education Funding Agency, the Regional Schools Commissioner and other partners.

1.3 The report presents a strategic overview of these priorities and sets out general principles to guide future actions.

2 Financial Implications

2.1 This report does not include a spending decision, however it draws attention to the potential financial implications for the Council of the substantial increase in Secondary school places required to meet known future demand; and to the arrangements for funding Secondary schools and academies, and supporting those in difficulty.

3 Policy Framework

3.1 The report relates to the existing policy and plans for commissioning and managing school provision, as set out in the Education Commissioning Plan.

4 The Report

4.1 This report is presented at a time when the Secondary school population is at its lowest for a decade, just before it starts to increase dramatically, requiring an additional 60 forms of entry by 2018 and beyond. Powers and responsibilities relating to Secondary school provision are widely dispersed and require new approaches to partnership working. The participation age has now been raised to 18 with implications for schools and colleges. Promoting high standards of achievement remains a core concern and responsibility of Kent County Council.

4.2 In order to ensure that all young people attending Secondary schools in Kent get the best educational opportunities the Council must work in this new and changing context to ensure that schools and academies achieve high standards, have the required capacity, and are sufficiently resourced. The increased numbers of pupils

who will require Secondary places mean that all existing capacity will be required, and new capacity will have to be commissioned.

Number and Type of Schools

- 4.3 There are currently 102 mainstream Secondary schools in Kent, of which 71 are non-selective and 31 grammar schools. Two non-selective schools (Chaucer and Hextable) are closing as a result of previous decisions of the Council and the Secretary of State. A small number of new free schools are currently under discussion between potential sponsors and the Regional Schools Commissioner.
- 4.4 Of the currently open establishments 67 are academies and 4 are free schools (including one University Technical College) – all 71 of which receive their funding, via the Kent Schools Funding Formula, from the Education Funding Agency through funding agreements with the Secretary of State.
- 4.5 The 31 remaining schools are “maintained schools” – community, voluntary aided or voluntary controlled – maintained by Kent County Council.
- 4.6 The Education and Adoption Bill will bring forward measures that would require inadequate and coasting schools to become academies. This, as well as any action initiated by school governing bodies, is likely to lead to an increasing number of Secondary schools becoming academies.
- 4.7 The powers and responsibilities of the Council in relation to maintained schools and academies are very different, however they all educate Kent children and it is the role of the Council to ensure that standards of achievement are high in all types of school.

Standards

- 4.8 Parents, employers, colleges, universities and the wider community expect schools to achieve high standards and give young people the best opportunities to succeed in life. Ofsted inspections are one important measure of standards, another is GCSE results at the end of Key Stage 4. In general the majority of Kent non-selective secondary schools and academies do well and have steadily improved over the past ten years. Grammar schools perform well in terms of inspections and results.
- 4.9 Overall 83% of Secondary schools are judged good or outstanding by Ofsted and 85% of Secondary age pupils attend a good or better school. This includes 25 schools that are outstanding and 56 schools that are good. 14 schools require improvement and 3 schools have an inadequate inspection judgement. In the 2014 GCSE results 22 Secondary schools were below the floor standard.
- 4.10 Whilst some academies are outstanding, there are more non-selective academies in categories 3 and 4, (requiring improvement and inadequate) both in number and percentage terms, than there are maintained schools. Improving them will require action by their sponsors, as well as KCC and the Regional Schools Commissioner on behalf of the Secretary of State.
- 4.11 The most widely reported indicator of school performance at Key Stage 4 is the percentage of pupils who achieve 5 GCSEs at grades A*-C including English and Maths.

4.12 A floor target of 40% 5 A*-C (EM) was introduced in 2013. A further change was introduced in 2014 where only first entry results were counted (not retakes). This proved more challenging for some schools to achieve. The median result for Kent non-selective schools fell from 51% to 43%. This does **not** indicate a fall in standards from the perspective of individual students – only in the way in which school level results are reported in the DfE Performance Tables.

Non-selective schools	2013	2014
<40%	9	27
40-49%	22	20
50-59%	24	13
60-69%	8	5
>=70%	4	2

4.13 Schools are adapting to the new requirements by making fewer early entries for GCSEs (unless pupils are clearly ready) and thus reducing the number of retakes.

4.14 Those schools that have not met the floor target are potentially more vulnerable and may need support to reach the required standard. The schools which did not meet the 2014 floor target were disproportionately in coastal areas and in some isolated rural and small town locations, suggesting that these areas face additional challenges. In some cases these challenges include serious levels of deprivation and long histories of low performance. Some schools may have difficulties in recruiting staff either because of the effects of deprivation, or of affluence (leading to high housing costs).

Provision planning

4.15 The Commissioning Plan for Education Provision in Kent 2015-2019 was presented to the Education and Young People’s Services Cabinet Committee on 24th September 2014. It provided demographic information about children in Kent schools and academies and summary forecasts of future demand at district level. It showed how the birth rate and number of births had increased since 2000, and how inward migration would add to the number of children requiring school places. In some parts of the county inward migration will result from the very large housing construction projects under way. Whilst there was just under 10% surplus capacity for Year 7-11s in 2013, the Commissioning Plan indicated that this would turn into a 9% deficit by 2023-24 (paragraph 9.18 and Figure 9.15) if new capacity is not added.

4.16 The Commissioning Plan concluded that 13 new forms of entry (FE) in Secondary schools would be required across the county by 2016-17, a further 7 FE by 2018-19 and a further 60 FE by and after 2018-19 (Figure 13.2). These numbers will have increased following the closure of Oasis Academy Hextable as reported to Cabinet Committee on 15th April 2015. The scale of this increased demand is equivalent to almost 1FE in every secondary school or 10 (8FE) new Secondary schools.

4.17 The future growth in Secondary numbers contrasts with a steady decline over the past ten years and more. This is unlikely to be the pattern in the decade to come. Schools which currently have low numbers on roll will fill up as the larger cohorts of children in Primary school reach Secondary age. Not only will all the existing provision be required: new places will also have to be commissioned.

- 4.18 Paragraph 6.4 of the Commissioning Plan sets out a number of planning guidelines for Secondary schools. It states that published admissions number (PANs) for Secondary schools “will not normally be less than 120 or greater than 360”. There are currently two schools in Kent below this range and two above.
- 4.19 The Commissioning Plan also states that “over time we have concluded that the ideal size for the efficient deployment of resources is between 6FE and 8FE”. This equates to PANs of 180 and 240. By this measure there are 24 non-selective schools with PANs smaller than the “ideal size” and 23 grammar schools. In addition there are 7 non-selective schools that are bigger. Schools can be made to work efficiently at a range of sizes – but very small schools are generally challenging to run if a broad and balanced curriculum is to be offered. The PAN however is only the starting point: the actual number on roll is generally more significant.
- 4.20 In January 2015 at the time of the schools census there were 17 non-selective schools with fewer than 120 pupils on roll in Year 7, and a further 27 with between 120 and 179. The number on roll at a given school reflects a) the local demography, and b) the operation of parental preference. The schools with the smallest numbers, particularly those where numbers have fallen and which are therefore carrying the burden of a large number of surplus places, must be considered vulnerable – even if their medium and longer term prospects appear good. Analysis shows that the schools with low and falling numbers are often schools with poor Ofsted outcomes and/or low performance at Key Stage 4.
- 4.21 Parents have the right to express a preference for the schools they wish their children to attend. Schools and admissions authorities must meet parental preference wherever possible. Analysis of schools with low numbers on roll in Kent has demonstrated that parents prefer schools within their local area with a sustained trend of higher performance over several years. Rebalancing the demand for school places is therefore closely connected with school improvement and raising standards. Whilst less popular schools may fill in the next few years as a result of demography, if this is not accompanied by improvements in performance parents may find that they are allocated places at a school they would not choose. Therefore school improvement and provision planning must be coordinated if schools are to thrive and parents are to be satisfied with the quality of provision available in their area.
- 4.22 While Local Authorities retain responsibility for school place planning, they must seek academy and free school sponsors for new schools, and work with existing providers to expand. In nearly all cases this will involve working with the Regional Schools Commissioner (RSC), an official ultimately accountable to the Secretary of State.
- 4.23 The academy programme is well advanced in Kent, and while some further maintained schools are likely to acquire academy status, academisation in the secondary sector is rapidly reaching a point where it can go no further. It will therefore become increasingly important to manage future provision planning in partnership with existing and new academy sponsors.

Finance

- 4.24 School budgets are driven by formulae, with age weighted pupil funding being the principal component. Other components reflect disadvantage (the pupil premium) and special educational needs. The minimum funding guarantee limits the amount by which a school budget can drop from year to year. A fixed sum is allocated to all schools equally to reflect aspects of the central administration. This is of some limited benefit to smaller schools. A factor may be introduced to recognise the challenge of running schools in sparsely populated areas.
- 4.24 School budget shares can be problematic for schools which are very small (even if they are popular and well subscribed). They can be a problem for schools where numbers are declining (even with the minimum funding guarantee). They can be a problem for schools that have low numbers of disadvantaged pupils and low numbers of children with special educational needs.
- 4.25 On the expenditure side, some schools have high overheads as a result of poor, energy inefficient buildings, with high maintenance costs. Top heavy staffing structures, or inappropriate deployment of teaching and support staff can also result in high costs. A very small sixth form may have to be “subsidised” from funding intended for statutory age pupils. Sometimes the current management of a school has to cope with the consequences of poor decisions made by predecessors many years previously. Whilst Kent County Council knows the budget share allocated to all schools and academies, it knows very little about the expenditure of academies, unless they choose to share that information.
- 4.26 The recent closure decisions of one maintained school and one academy were both prompted to a large extent by the serious budgetary situations they faced. In the case of the maintained school the direct costs of closure to the Council amounted to approximately £4 million. The costs of the closure of the academy to its sponsor and the EFA are unknown, and there will be costs to the Council in relation to the ongoing security of the Hextable site when it is returned. While running a school with budgetary difficulties is challenging, closure is not a cost free option.
- 4.27 There are currently up to six other schools which are likely to be experiencing financial difficulties at various levels of severity as a result of low and falling numbers on roll. In each case demography will ultimately see numbers rise and thus budget shares improve. Before the upturn it is important that the quality of education does not suffer.
- 4.28 The EFA can and does provide discretionary funding to academies and free schools, and it provides loans (in the form of advance allocation of future funding) although its criteria for doing so are not always clear. Kent County Council is constrained in how it can distribute school funding by government regulations.
- 4.29 In the current context it would be a better use of public money to support schools going through short and medium term financial difficulties (providing that they have effective strategies for school improvement, and there is good evidence that their numbers will rise in the medium to long term) rather than incurring the substantial costs incurred in school closure and the re-commissioning of capacity in the same area. Discussions have already taken place with EFA officials in support of some academies seeking financial assistance. More flexibility in the regulations

governing its own distribution of funding through the formula would be helpful to the Council in providing support to maintained schools.

Sixth Form and Post 16

- 4.30 All young people must now participate in education or training until the age of 18, whether at school, college, through an apprenticeship or other types of training provider with employment. The majority of Kent non-selective schools have a sixth form and offer post 16 learning opportunities. The type, scale and quality of provision offered in school sixth forms are variable. Nearly all offer traditional academic A-levels, and most are able to do so at a scale which gives students a good choice of courses. Others offer vocational courses in work related areas. Some vocational provision can be expensive to deliver because of the specialist facilities required. Any course will have a minimum number to be truly viable, although schools may choose to offer courses even where numbers are low. A number of schools have small sixth forms and provide a limited curriculum offer, with gaps particularly in vocational options for young people who need them. For example, nearly all 16 year olds who are eligible for free school meals cannot or do not remain in school sixth forms, but go on to study in colleges or work based training providers.
- 4.31 New requirements have been introduced requiring higher standards of post-16 learners in English and Maths. This will alter the programme of courses that some students will need to follow if they did not reach the required standard at age 16. The impact of the requirements for all to achieve at least a C grade in English and maths by age 19 and the availability of new technical and vocational qualifications is significant, requiring a major re-design of the curriculum offer in many schools in collaboration with other schools and nearby colleges. The need for this in schools with small sixth forms is more urgent.
- 4.32 Funding in schools for post-16 learning has been constrained and reduced in the past 3 years. This means that some schools are finding it difficult to deliver effective programmes depending on the courses they are offering and number of students taking them up. This can then lead to cross-subsidisation from funding for statutory age (11-16) pupils.

Grammar Schools

- 4.33 On average grammar schools are smaller than non-selective schools. They tend to attract less funding in relation to the pupil premium and special educational needs than non-selective schools. They have also been particularly affected by the impact of the reductions in Post-16 funding by the EFA over the past few years. A relatively high proportion of grammar schools are maintained schools (usually voluntary aided) rather than academies. As a result their funding is more directly a concern of the Council. Some of the smaller grammar schools face financial challenges which may require them to take the opportunity to expand as the Secondary age population expands.
- 4.34 There are several examples of successful sponsorships by grammar schools of nearby academies which have led to sustained improvement – transforming low performing and unpopular schools into highly successful establishments.

5 Options

5.1 The Council recognises that support for 'vulnerable' Secondary schools is essential in order to secure the best education of children attending those schools, and to ensure provision continues to be available for the additional numbers required in Secondary schools in the near future. It is not possible or desirable to envisage the closure of any other school in the immediate future on the basis of low numbers, budget difficulties or a deficit situation and declining standards, in any area where there will be a need for additional Secondary provision within 2-3 years. However, the remedies and short term support mechanisms for these schools are not directly forthcoming, especially when some of these schools are academies.

5.2 The notion of 'vulnerable' Secondary schools is based on the following:

- Schools below 600 for the number of Year 7-11 pupils currently on roll
- The total number of Year 7 pupils on roll (initial year of admission) – with cohorts less than 120
- Schools in financial difficulty or facing a deficit situation because of low numbers
- Schools with lower than expected performance and below average progress rates
- Schools where demography will not help to remedy the situation quickly in the next 2-3 years.

Approximately 11 Secondary schools fall into the above category and all are rated by Ofsted as either inadequate (2 schools) or requiring improvement. Seven schools are academies, and in the coming year one will close and another will amalgamate with another school.

5.3 The Local Authority is already taking, or proposing to take, the following actions:

- Meeting with individual schools to review the budget situation and options for re-structuring the budget, and in the case of KCC schools agreeing a financial recovery plan
- Supporting academy schools to make a case to the EFA for a loan, which is in effect an advance of funding from future allocations which may be difficult to pay back in the short term
- Agreeing some expansions of provision or partnership with another school to develop more cost saving arrangements
- Providing additional support for the school's improvement in Ofsted performance and examination results
- Brokering collaborative post 16 arrangements between schools and with colleges to improve the curriculum offer and reduce sixth form costs
- Meeting with the Regional Schools Commissioner and the EFA to agree a secure way to ensure the necessary 'good' quality provision is there to meet future needs

- Writing to the EFA and the Secretary of State for Education to request some greater flexibility in the factors used in the schools' funding formula, to allow for short term pressures to be funded across all the schools affected.

5.4 Whilst the powers of local authorities have been reduced in relation to academy schools, and are now shared with governing bodies, academy trusts, the Regional Schools Commissioner and the Education Funding Agency, KCC retains a responsibility to secure sufficient school places, to promote school improvement, to coordinate admissions, provide home to school transport, and to support children with special educational needs. In this context all these schools are our priority to secure improved educational outcomes and the school places of the right quality we need in the coming years.

6. Legal implications

6.1 The principal legislation relevant to this report is the Academies Act 2010 and the Education and Inspections Act 2006. An Education and Adoption Bill will be introduced in the current parliament. Any actions taken by the Council will be in accordance with all relevant legislation. .

7. Equalities implications

7.1 There are no direct implications relating to equalities this report. The Equalities Act 2010 Part 6, Chapter 1 Sections 84 to 89, sets out the requirements on schools and admissions authorities. If Kent County Council is able to better support vulnerable Secondary schools this is likely to benefit young people with the protected characteristics specified in the Act.

8. Property portfolio

8.1 Large investment in new Secondary school buildings will be required over the next ten years to meet the demand from the large cohorts of children currently in the Primary phase. As stated above the Education Commissioning Plan concluded that 13 new forms of entry (FE) in Secondary schools would be required across the county by 2016-17, a further 7 FE by 2018 and a further 60 FE in the years following 2019. The scale of this increased demand is equivalent to almost 1FE in every secondary school or 10 (8FE) new Secondary schools in the next ten years.

8.2 The ownership of the Secondary school estate is complex. Some schools remain fully in the ownership of Kent County Council, however academy sites are generally leased to their trust for a period of 125 years. The governing bodies or trusts of voluntary aided, trust and foundation schools generally own the freehold of their school sites. Sometimes the ownership of playing fields is different to that of the school buildings. Land in the ownership of the Council may be required by the government to facilitate the establishment of new free schools. In view of the scale of additional capacity required to meet the demand for Secondary school places it is likely that some new sites will be required.

8.3 Kent County Council will have a direct involvement in capital works at maintained schools, and may have an interest as freeholder in works at academies. It will have an interest in its role as commissioner of school places, and as advocate for standards in investment in all school buildings in the county.

9 Conclusions

- 9.1 Secondary education in Kent faces major challenges in relation to standards, provision planning and finance, at a time of rapid growth and continuing legislative change.

10. Recommendation: The Education and Young People's Services Cabinet Committee is asked to consider and endorse the report, and in particular to note the actions that are necessary to support 'vulnerable' Secondary schools and to increase Secondary school capacity to meet the demands of a growing Secondary school population.

11. Background Documents

[Education Commissioning Plan 2015-19](#)

12 Contact details

Andrew Hind
Project Manager
andrew.hind@kent.gov.uk

Relevant Director: Keith Abbott
Name and title: Director of Planning and Access
Telephone number 03000 417008
Email address keith.abbott@kent.gov.uk