

APPENDIX D

Hertfordshire County Council's position statement in relation to size of secondary schools, in response to NHDC's Local Plan education infrastructure proposals

Background:

1. Hertfordshire County Council, in its role as local education authority and commissioner of school places, has a statutory duty, enshrined within sections 13, 13A and 14 of the Education Act 1996 to ensure that efficient primary and secondary provision is available to meet the needs of their population; that their education functions are exercised with a view to promoting high standards ensuring fair access to opportunity for education and learning, and promote the fulfilment of learning potential; and secure that sufficient schools for providing primary and secondary education are available for their area.
2. In meeting its statutory duty, the County Council has a policy preference for secondary schools of between 6fe to 10fe to ensure they are of sufficient size to provide a good quality of education and to meet the requirements of the national curriculum within likely available funding over the medium and long term.
3. The Council is also concerned to promote provision of an educational infrastructure that minimises cost to the wider public purse, both in terms of day-to-day running costs, future maintenance, costs of construction, and efficiency of land-use.

School funding and educational quality

4. It is not possible to consider the necessary minimum size of a school to deliver what is necessary educationally separately from the funding available to support this. There is no inherent reason why small schools cannot function highly effectively, if they were equipped with unlimited resources. However, this is not the case. Moreover, funding available to schools in inflation-adjusted terms has decreased over time, and further reductions are anticipated. At the same time, the requirements placed on schools by Government have also increased. Thus what might have been viable in 2004 is not necessarily viable for the future. Below, we consider trends and prospects for schools funding, and the curriculum-driven needs for particular levels of staffing.

Trends in schools funding

5. It is acknowledged both by DfE and other arms of government that schools funding is in decline in inflation-adjusted terms. Figures quoted vary, but the National Audit Office (December 2016) highlighted that secondary schools are facing an 8% cut in real terms per-pupil funding due to cost pressures. These pressures include the additional financial demands placed on schools as a result of recent policy changes around pay rises, higher NI employment contributions and teacher pension schemes. The DfE has identified that schools need to make efficiency savings of £3 billion by 2019/20 to counteract these cost pressures. With pupil numbers rising and increasing pensions and teacher pay costs, the medium term outlook for schools is a further fall in inflation-adjusted funding per pupil. It would be unwise to base provision planning on an assumption of an appreciable real-terms increase in the future. These trends bear most heavily on smaller schools.

Introduction of a National Funding Formula (NFF) for schools

6. Historically, Hertfordshire along with many local authorities operated a local funding formula intended to support the pattern of school provision that existed locally. Thus small schools received (and receive) higher levels of funding per pupil than larger ones. However, the NFF is intended to move towards a more equal level of funding per pupil, regardless of school type. What this means is that, as and when the NFF is rolled out, small school funding will fall relative to larger. This follows on from technical changes since 2012 which already have increased the pressure on smaller schools. It is worth re-emphasis that this, quite separate from overall levels of funding reduction, will bear heavily on the viability of smaller schools.

Local evidence

7. The Council has good understanding of the financial position of local maintained secondary schools, and some understanding of Academies. It is currently the case that all four local maintained schools below 600 pupils 11-16 are in deficit, once account is taken of short-term additional local funding provided through the Falling Rolls fund (see below) or other short-term loans or contingency payments. It is further evident from published accounts that the position in Academies below 600 pupils 11-16 is directly comparable. Where accounts are available, restricted expenditure is greater than restricted income in this set of Academies. For maintained schools with 900+ pupils 11-16, the position is budgets have been balanced in line with real terms reductions largely achieved through a major restructure and a loss of both teaching and support staff.

8. In practice, schools degrade the quality of what they can offer by moving towards only a single foreign language for example, or dropping subject areas such as music. However, there is a point where effective teaching of the minimum needed to demonstrate good pupil progress and meet national curriculum requirements is put at risk.
9. Both locally and nationally, schools are currently running down reserves as current spending exceeds current income and we anticipate serious challenges emerging round the viability of our existing smaller schools within 2-3 years.

Operational costs of smaller schools – delivery of a broad and balanced curriculum

10. It is evident that the operational costs of smaller schools are proportionately greater than larger ones. Head teachers and other senior staff salaries do not rise or fall in exact proportion to size of school. However, the most significant factor is the costs entailed in delivering a broad and balanced curriculum, including adequate attention both to the required subject specialism for the EBACC and the pastoral and other support required for children with, for example, behavioural or mental health problems.
11. HCC's education advisors, Herts for Learning Ltd, has created a model for a full 4fe (120 PAN) school with a 6th form with 75% of students staying on, giving a PTR of 19. This would have 780 students and 41 staff, including the Head and a SENCO with no teaching load.

Role	Number of posts	Teaching load (hours per week)
Head	1	0
Deputy head	1	5
Assistant Head	2	10
SENCO	1	0
Head of Year	6	18 (15 for Head of Sixth Form)
Head of Faculty	3	18
Head of Department/2 nd in Faculty	16	20
Teacher	11	21

12. This model is based on the assessed numbers of teachers required to teach a typical curriculum. With this as a model for the Secondary school there would be a slack or surplus in the teaching hours available of 21 hours per week.

13. The A level offer would have 17 subjects on offer, but each subject would only appear once in the structure so there would be limitations on the combinations of subjects that students would be able to study. This would lead to students looking elsewhere to study the combination of subjects that they would want to do.
14. A model for a 5fe (150 PAN) school would require an extra 7 Main Scale teachers with the same management structure as the 120 PAN school. There would be 976 students and 48 staff with a PTR of 20.3. There would be less slack in the teaching hours at 17 hours per week. In the Sixth Form there would be 21 subjects on offer allowing for some duplication of subjects and therefore more choice for the students and a greater likelihood that their needs would be met.
15. This demonstrates that as a school has more students it becomes more financially robust. The analysis above shows an increase of 25% in pupil numbers requires only a 17% increase in staffing establishment and offers a broader curriculum offer to students in the sixth form.

Other costs to the public purse

16. When new schools are constructed, because of the need for core infrastructure, the cost per pupil of smaller schools is necessarily greater than that for larger. The table below provided by the council's technical advisers MACE demonstrate this.

BB103 Upper End (HCC Model) with 75% 6th form				
Form of Entry	Pupil Numbers	GIFA	Total	£ Per pupil
4	780	7244	£23,291,733	£29,861
6	1170	9743	£31,483,998	£26,909
8	1560	12449	£40,312,857	£25,841
10	1950	15155	£49,141,717	£25,200

Costs include build cost at £2118/m², 20% externals and abnormals, 10% contingency, 10% fees and FF&E/ICT.

17. Since construction costs are related to building areas, larger schools are more economical. Over the longer term, maintenance, heating and other costs will similarly be proportionately lower with larger schools.

18. Efficiency of land use similarly is greater, with larger schools, with 2 x 4FE schools requiring 120,280m² site area whilst 1 x 8fe school requiring 109,280m².

BB103 Space Requirements for Secondary Schools

	Secondary with 75% stay on rate at 6th Form			
BB 103	NOR	NOR	NOR	NOR
	4fe	6fe	8fe	10fe
Maximum net site area	48,000	67,500	87,000	106,500
Maximum total site area	60,140	84,710	109,280	133,850

Conclusions:

19. The analysis set out above demonstrates that it is not reasonable to plan on the basis that schools of substantially less than 6 Forms of Entry will be able properly to deliver a broad and balanced curriculum and meet the requirements of the National Curriculum within the revenue funding likely in future to be available to them.
20. For that reason the Council does not regard the possibility of 4FE schools being provided as acceptable. Such provision would not allow us to meet our statutory obligation to ensure the provision of adequate school places.
21. Further, it is clear that smaller schools cannot offer the breadth of larger, even where smaller can still meet minimum necessary standards. Such small schools do not support the Council's statutory obligations to promote high standards and for children to fulfil their learning potential.
22. In more general terms, it is also the case that a pattern of provision based on 4FE rather than 6-8FE is inefficient in terms of land used, and costly in terms of capital construction costs and longer term maintenance. The Council, however, has an obligation to ensure that provision of schools is efficient.

Observations on the report prepared by PSE consulting entitled “Practicalities of smaller secondary schools and all-through school provision”

PSE consulting is a small consultancy comprising two staff, one with a background within the NHS and one within education. The education lead does not appear to have had extensive experience in either schools finance or school improvement/operational management. (*Unsure about taking this line*)

Their report makes a number of statements or assertions, from which conclusions are drawn:

Part 1 section 2 Background: Current numbers of schools with between 1 and 500 on roll – the report cites data from 2012 that shows 9.7% of schools operating within that size band. However, in our (HCC) view this cannot be taken as evidence that such schools will be viable in 2022 because both schools funding and requirements placed on schools will have changed so substantially by then.

Part 1 section 3 Educational issues in smaller schools: Research evidence – the report cites studies, most recently in 2004, suggesting that the relationship between size on achievement was not significant. HCC does not question this study, but again we believe that the passage of time has made it irrelevant. It is not possible to make any inferences from it about what is currently important in the way that the report seeks to.

Part 1 section 4 Financial issues in smaller secondary schools: NAO study— the report cites a NAO study from 2014-15 showing 21% of secondary schools with less than 630 pupils were at that time running a deficit, and concludes that because 79% were not such schools were not inherently financially unsustainable. However, since 2014/15 the proportion of schools in deficit has risen as school funding has been reduced. It is also the case that schools are not able to operate with deficits indefinitely and will be required either by the Department for Education (if Academies) or their local authority (if maintained) either to move into balance at the expense of standards or to close.

Part 1 sections 5 and 7: Academies and free schools: -- the report identifies that some MATs appear to operate with schools with a cohort size of below or around 120. The Harris Federation is cited (2015). HCC view is that it may well be possible at present to operate smaller schools in London, where resource levels are some 20% higher than in Hertfordshire. This provides no evidence as to what is possible here, in the future.

Part 1 section 6 Sample schools – we cannot comment on schools in other local authority areas in detail. The Sele School in Hertford is currently identified as a sample school in the PSE report as an example of a small secondary school judged

as “Good” by Ofsted and has “*more than sufficient variety and depth to be attractive to students.*” However, The Sele School has a very high unit cost per pupil, has recorded an in-year deficit of £123k and is currently in receipt of Falling Rolls Funding of some £500,000 annually. This falling rolls funding is a local provision and currently DfE policy direction is that such that support of this type for small schools will not be sustainable after 2019/20.

The conclusions of the PSE Report:

These are set out below as in their report, with summary comments. It is notable, however, that the positions put forward are mostly that there is no evidence that small size is a problem, rather than that there is positive evidence small size is viable.

Ofsted have not concluded that smaller secondary schools provide a poorer-quality educational experience or produce worse levels of attainment and achievement as a result of their number on roll Ofsted do not generally make broad comments of such a nature without having commissioned external research. The absence of an Ofsted view is not evidence one way or another.

The National Audit Office has recognised that 79% of secondary schools with fewer than 630 students operate a balanced budget or have a budget surplus *This was a statement of fact in 2014/15. It cannot be used to make any inference about future viability.*

The Education Select Committee has not commented unfavourably regarding school size.

Multi-Academy Trusts do include smaller secondary schools within their remit. Some Multi-Academy Trusts present KS4 cohorts for GCSE examination with c. 120 students. *We have commented above on special circumstances applying in London.*

No major research into the effect of school size has been undertaken in England over the last fifteen years and we argue that this is as a result of the inconclusive outcomes of that research and the development of competing and more fruitful ideas as to the reasons for success or underperformance of schools. *The inference taken from absence of research is not evidenced or justified, and cannot be taken in this way.*