

Central Bedfordshire Council

Executive

7 August 2018

Proposal to Close Shelton Lower School, Marston Moretaine, Bedfordshire

Report of: Cllr Steve Dixon, Executive Member for Families, Education and Children
(steven.dixon@centralbedfordshire.gov.uk)

Responsible Director: Sue Harrison, Director of Children's Services
(sue.harrison@centralbedfordshire.gov.uk)

This report relates to a decision that is key

Purpose of this report

The report proposes the closure of Shelton Lower School, as sharply falling pupil numbers over the last two years, and projected reducing pupil numbers in future, mean the school is unviable.

RECOMMENDATIONS

Executive is asked to agree the closure of Shelton Lower School on 31 August 2019.

Overview and Scrutiny comments/recommendations

Children's Services Overview and Scrutiny Committee on 25 July 2018 will be considering the Director of Children's Services proposal to close Shelton Lower School. Recommendations from this meeting will be provided to the Executive.

1 Introduction

- 1.1 Shelton Lower School is a small, rural lower school in the village of Upper Shelton in Central Bedfordshire. It is a foundation school, which means that the school is funded by the Council but employs its own staff. The school is a member of the Vale of Marston's School Trust and the land therefore belongs to the Trust. It is also federated with Southill Lower School: the two schools share a governing body and a head teacher.
- 1.2 The school has a pre-school nursery, a reception year and pupils from year 1 to 4. The total capacity of the school is 75 pupils, from reception to year 4, with an intake capacity (published admission number) of 15 pupils per year.

- 1.3 This proposal is stage 3 of the five stage process for closing a maintained school. If Executive, having considered the recommendations and any representations, determines that the school should be closed, that will be the commencement of stage 4 of the process, which lasts four weeks, during which time 'permitted appeals' may be made. Stage 5 is the implementation of the closure, which must be on the date Executive states the school must be closed.

2 Evidence for proposed closure

- 2.1 Schools are allocated funding based primarily upon the number of pupils they have. There is a point at which schools cannot continue to operate due to inadequate funding. Shelton Lower School has not been full for a number of years, and the decline in the number of pupils entering the school is forecast to continue. Only five reception-age pupils are due to start at the school in September 2018, out of a total admission number of 15.
- 2.2 Due to the low number of pupils in the school, the school has gone into a budget deficit position, which is predicted to worsen between the current and 2020/21 school years. It is projected that by September 2018 there will only be 35 pupils on roll at the school (a reduction of four from the numbers at the end of March 2018). Projecting forward from these numbers, assuming four year R entries each year and no pupil leaving before the end of year 4 each year, there would only be 25 pupils in the school year 2021/22, which is 33 per cent of the school's capacity. It is estimated that the school needs 60 pupils on roll in order to be viable.
- 2.3 In February 2018 it was apparent that by the end of that month the school would have insufficient funds to pay its staff and an outstanding pension contributions invoice. The Council has provided a cash advance to the school of £50,000 to ensure the school could meet its financial obligations and ensure pupils continued to have full access to the curriculum.
- 2.4 The governing body has, since February, also attempted to address the decline in numbers by increasing efforts to market the school to prospective parents of children in all lower school ages, including the nursery.
- 2.5 These efforts have not been successful and as a consequence the pupil projections for the next four years are likely to represent a 'best case' scenario. Since there is no prospect of recovery, the Council is therefore proposing to close the school.

3 Results of the informal consultation regarding the proposed closure

- 3.1 An informal consultation was launched on 23 April 2018 to gather views from parents, local residents and all other stakeholders on the future of Shelton Lower School. The consultation ran for seven weeks, during which two meetings were held; one for staff and one for parents and the public. The informal consultation document is attached as appendix 1.

- 3.2 The consultation responses were analysed by the Knowledge and Insight team. The report is attached as appendix 2. In summary, 118 responses were received during the consultation: 20 per cent supported the closure of the school, 72 per cent objected to the possible closure and 7 per cent expressed no view. The majority of respondents believed the school was (financially) viable, although several respondents said that the school should close if it was not financially viable.
- 3.3 Respondents suggested alternative solutions, such as: waiting for development in the local area (Marston, Cranfield, Wootton) to increase pupil numbers; improving promotion of the school; exploring possibilities for partnership with other schools; and securing further investment to increase viability. The consultation report sets out nine 'themes' with regard to objections, which are summarised, with comments, in the bulleted points below:
- *Building in the local area will increase pupil numbers:* the consultation report (see appendix 1) projects pupil numbers reducing at the school over the next four years, moreover there is the capacity to take more pupils in all year groups in the four other local lower schools, while Bedford Borough Council is planning to accommodate future pupil growth in its area.
 - *Promote the school more:* the difficulty with promotion, however well done, is that there is a significant surplus number of places in the area, with good and sustainable schools that are highly popular with parents – it is highly unlikely that many parents will move their children from schools where standards at key stage one are higher than Shelton Lower to the school.
 - *The consultation contains inaccurate information:* there were two main areas of concern relating to accuracy – one was the difference between the financial deficit forecasts presented at an initial, informal meeting with parents: the reason for this is that at the initial meeting, the financial forecast of the school was used, which was, when Council officers examined it, inaccurate – so at the informal consultation, the Council's projections, which were much lower, but still unsustainable, were presented.
 - *The second complaint:* referred to the pupil number total projected for October 2019, where the year group numbers was greater than the total, and that this resulted in inaccurate budget information – in fact, it was only one year group number that was wrongly transcribed, and the overall pupil number was correct, and parents were informed about this after the consultation meeting, by letter.
 - *Consideration of another / extended federation:* officers have approached a number of local maintained schools, and other maintained schools whose governing bodies have said they are interested in talking to other schools about federating – there has been no interest from local schools, and other schools considering joining or forming federations do not want to do so with a school in severe financial difficulties.

- *Joining an academy trust:* no academy trust with multi-academy or similar status has expressed an interest in taking the school into its trust – it must be noted that all academy trusts must undertake due diligence for new proposals and in light of Shelton’s financial position and outlook, it is understandable that academy trusts will be unlikely to take the risk.
- *Investment:* schools in England are funded by a formula, which is, by law, mainly through pupil numbers, and there is no scope to vary this formula, other than time-limited funding for schools fitting certain criteria, which the school does not meet.
- *Other local schools are too large:* there are only two ‘large’ lower schools in the area – one is an academy, and therefore not in the control of the authority, and another is a popular maintained lower school that has been expanded. There are no plans to reduce the PAN of a popular school that has very good pupil outcomes, and where the evidence is that a two form entry or above lower school provides the delivery of a broader education curriculum and use of a wider staff skill set for teaching children.
- *Change the age range:* while there are discussions with the Cranfield cluster about the movement to a two-tier system, this requires discussion with, and agreement by, all schools. This discussion has just started, and in any case would not help the school as there is sufficient primary capacity in the lower and middle schools.
- *Change the catchment areas:* it is difficult to see why the Council would want to do this, or that there would be any effect on the school if it did – since three of the four local schools, including Shelton, do not reach their planned number in year R, and thus children from anywhere outside the catchment area can get their child a place in the school.
- *Get developers to fund existing schools:* there is no legal curb on agreeing the funding of existing schools to developers, but there are no plans for new schools in this area in the foreseeable future, or developer-funded expansions. The Council will seek funding in an area for education provision when the forecast for additional school places as a result of a development means more places are required, which is not the case here.

3.4 Parents have said at the public meeting, and subsequent to it, that given time, pupil numbers will increase. However, the pupil numbers projected for the next four years show a decline every year, leading to annual budget reductions and making it impossible for the federated governing body to submit a recovery plan to Council officers.

4 How the proposal would affect standards, parental preference and the area

4.1 The closure of Shelton Lower School would not affect educational standards in the area. Parents would be able to apply for a school place at one of three lower schools within the immediate area: Church End Lower School in Marston Moretaine, Cranfield Church of England Academy in Cranfield and Thomas Johnson Lower School in Lidlington.

- 4.2 All three of these schools currently have vacancies and all are rated by Ofsted as 'good', with the potential to be 'outstanding' as assessed by the Council's school improvement service. The two key measures of achievement in lower schools are the early years foundation stage and key stage one standard assessment tests (SATs). Pupils at the three schools all achieved well, with attainment above the national and local averages, and those of Shelton Lower School.

PROPOSED ADMISSION ARRANGEMENTS FOR ALTERNATE SCHOOLS

- 4.3 If the decision is taken to close Shelton Lower School, the Council will contact the parents and carers of pupils who are currently on roll at the school and who are due to join the school in September 2018, to advise how to submit an application for a place at an alternative school. All parents and carers will be told that their child can remain at the school until the end of the summer term 2019, if that is their wish.

COMMUNITY SERVICES AND COHESION

- 4.4 The lack of use of the school by the local community would mean that the closure of Shelton Lower School would have minimal effect on local community services or cohesion.

RURAL SCHOOLS AND THE PRESUMPTION AGAINST CLOSURE

- 4.5 There is a presumption against the closure of rural schools. This does not mean that a rural school will never close, but the Department for Education requires a case for closure to be strong and for a proposal to be clearly in the best interests of educational provision in the area. Because Shelton Lower is a rural school, the Department for Education requires the Council to consider a range of different factors before there is any proposal to close it. These factors are as follows:

- i) the likely effect of closure of the school on the local community;
- ii) educational standards at the school and the likely effect on standards at neighbouring schools;
- iii) the availability, and likely cost to the Council, of transport to other schools;
- iv) any increase in the use of motor vehicles which is likely to result from the closure of the schools and the likely effects of any such increase; and
- v) any alternatives to the closure of the school.

- 4.6 The Council has considered these and believes that the case for closure remains strong. To address the five factors directly:

- i) The local community does not use the school facilities for community activities. The closure would therefore have minimal effect on the local community.
- ii) There are three lower schools in the immediate area: Church End, Cranfield Academy and Thomas Johnson. All three schools currently have vacancies. The other lower school in the area, although further away, is Houghton Conquest Lower School. The three neighbouring schools also have provision for pre-school nursery children and can accommodate the children currently at Shelton Lower.

The standards and most recent regulator assessment of the three schools is set out in paragraph 4.2 above, and in the table on page 4 of the informal consultation document.

- iii / iv As nearly all pupils attending the school come from outside of the village, the effect of the use of motor vehicles in the area, if the school closes, would be negligible. Council officers have assessed the travelling distance of the Central Bedfordshire resident current (year R to year 3) pupils, plus the pupils due to start year R in September 2018. The total mileage is 34 to Shelton, and 39 to prospective schools. It is very hard to assess the extra CO2 emissions exactly, but they are highly likely to be very small, and significantly less than the carbon footprint of Shelton Lower School.

In the event of closure, pupils on the school roll at the end of the summer term 2019 may be eligible for assistance with travel costs, in line with Central Bedfordshire Council's home to school transport policy. Parents would be notified of any school transport eligibility at the time of making an application for an alternative school place.

- v) The Council has considered all possible alternatives to the closure of the school, including those submitted during the preliminary consultation, but none are believed to be viable. Officers note the comments of many respondents questioning the lack of viability as they believe the places will be needed in the area in future. However, there are sufficient planned places in the area until the 2022, and there is potential for additional places being provided by other schools. Central Bedfordshire's school organisation plan shows that the expansion of Church End lower school with effect from September 2018 will ensure there are sufficient places, taking account of the birth rate and local housing plans within the (2017-2022) planning period.

EARLY YEARS PROVISION

- 4.7 The Council is also required to consider whether the alternative provision that is available for early years will integrate pre-school education with childcare services and/or with other services for young children. All three neighbouring schools to Shelton Lower, ie Church End, Cranfield Academy and Thomas Johnson, have provision for pre-school nursery children and can accommodate the children currently at Shelton Lower. All three are also rated 'good' by Ofsted.

SCHOOL PREMISES AND PLAYING FIELDS

- 4.8 Shelton Lower School is a member of The Vale of Marston's Schools Trust. If the school closes the future use of the land and building will be the responsibility of the Trust.

PROPOSED STAGES FOR IMPLEMENTATION

- 4.9 It is the Council's proposal to close Shelton Lower School on 31 August 2019. Staffing levels at the school would have to be reviewed if there is a fall in the number of pupils on roll before that date.

5 Options for consideration

- 5.1 There are two options – to close or not to close the school. The recommendation of the director of children’s services is to close the school.
- 5.2 To determine not to close the school would mean the Council funding the school outside the dedicated schools grant (DSG), as it is not acceptable to use the contingency budget to support a school other than in the short term, or the costs of closing the school. If the Council’s executive determines not to close the school, and the situation continues to deteriorate, then the Council would have to start a closure process again. The earliest date for closure would be 31 August 2020, and there is a risk the Council would need to contribute resources to the DSG if schools forum – as it is entitled to do – decides it is not a reasonable use of the contingency.

6 Reason for decision

- 6.1 The proposed closure is being considered because the school is not financially viable. It has a budget deficit, which is projected to increase between now and 2021/22, and there is no possibility of the school’s governors providing a credible recovery plan.

7 Council priorities

- 7.1 The proposed action supports two of the Council’s priorities, listed below:
- a) **Improving education and skills:** the closure of the school has the potential to improve the education offer to parents of children in the local area, as other schools in the area show better pupil attainment in the main standardised tests for pupils in lower schools.
 - b) **A more efficient and responsive Council:** the Council’s efficiency, while technically not affected by the schools block of the dedicated schools grant (DSG), a failure to address the viability issues within a reasonable timescale could lead to schools forum rejecting the current use of the DSG’s contingency. This is currently being used to fund the deficit of Shelton Lower School, in circumstances where the governing body is unable to produce a recovery plan.

8 Corporate implications

- 8.1 There are no implications for the Council aside from the financial risk if the school does not close and is unable to submit a recovery plan.

9 Legal Implications

- 9.1 A local authority can propose the closure of all categories of maintained school, following the five-stage statutory process in [part 4](#) of the government’s statutory guidance from the Department of Education on opening and closing maintained schools dated April 2016.

9.2 The Council's constitution provides at Part 3E that the exercise of the Council's functions for the establishment and discontinuance of schools maintained by the Council in accordance with the relevant provisions of the Education and Inspections Act, 2006, the School Standards and Framework Act, 1998 and regulations made under those Acts is delegated to the director of children's services subject to consultation with the relevant executive member and the monitoring officer, to take particular account of: statutory and non-statutory guidance; the admissions code; and full consideration of the budget implications.

9.3 The Executive is recommended to take the decision because of its significance.

10 Financial and risk implications

10.1 Should the school close, the Council would be required to meet any closing deficit balance from school contingency.

10.2 The school contingency balance currently stands at £123,000.

11 Equalities implications

11.1 Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. During the consultation process some respondents have highlighted the positive contribution the school makes in supporting children with additional needs. The Council has identified that places are available at good schools in the local area in all year groups, and there are no pupils in key vulnerable groups, for example, pupil with education, health and care plans, or children looked after.

12 Conclusion and next steps

12.1 There are two separate scenarios to be considered. The first is if the executive determines to close the school. In this scenario:

- following the decision, there is a four week period, which ends on 5 September, within which appeals, if permitted, must be made (an interested party can apply for judicial review of the decision, and certain parties – in this case, the governing body or the local diocesan bodies – can appeal to the Schools Adjudicator);
- if there is a successful appeal using either of the means available, the closure does not go ahead, and must be re-started should the local authority still want to close the school; and
- if there is no appeal, or an unsuccessful appeal, the closure must be implemented on the prescribed date.

12.2 The second scenario follows an Executive decision not to close the school. In this scenario:

- on the pupil numbers currently projected, the school will require cash allocation totalling about £111,000 between March 2018 and March 2022;
- this allocation must come from Council and not school budgets;
- even if there were another 15 pupils on roll by the October 2021 roll count, there would still be a £30,000 deficit, without accounting for the extra costs of the extra pupils;
- on current pupil projections, there will be surplus school places in the area until the end of the 2021/22 financial year, and it cannot be foreseen that the school will achieve a roll of 60 that is the minimum number of pupils required if the school is to move to a balanced budget; and
- even in this highly optimistic scenario, the school's governing body would not be able to produce a recovery plan – that is, repay the cumulative deficit built up by that date.

Appendices

Appendix 1: Shelton Lower School consultation, 23 April 2018

Appendix 2: Shelton Lower School: summary of responses to the consultation, June 2018

Appendix 3: Updated projected pupil numbers for Shelton Lower School (23 July 2018)

Appendix 4: Summary of the Consultation

Background papers

Presentation to the Children's Services Overview and Scrutiny Committee

Report author

Chris Kiernan, interim head of school improvement

chris.kiernan@centralbedfordshire.gov.uk tel: 0330 300 5391