

WESTMINSTER CITY COUNCIL**SCHOOLS' FORUM – 17th JUNE 2024****REPORT BY BI-BOROUGH DIRECTOR OF EDUCATION AND LIBRARIES****UPDATE FROM THE ISOS SCHOOL PLACE PLANNING WORKING GROUP****PURPOSE OF REPORT**

This report provides an update from the recent Isos Place Planning Working Group and provides its recommendations to reduce further primary school capacity, and for schools unable to a set balanced budget, to either review their deficit recovery plan, or look to put in place an alternative plan that will support their school's viability.

FOR INFORMATION AND DECISION**1. INTRODUCTION**

- 1.1 The Isos Working Group last met on 4th June 2024. Members were provided with up-to-date information and data to inform the recommendations to Schools Forum. As a reminder to Schools Forum, the Working Group membership comprises a community school(s) head (also the current chair), CoE and Catholic school heads, special school, academy and secondary school heads, a governor and senior council officers that will have a direct responsibility or contribute to the LA's role in efficient school place planning.

2. CURRENT SURPLUS CAPACITY POSITION

- 2.1 As calculated by the spring pupil census (January 2024), Westminster Council currently has 25.9% surplus capacity across all its primary schools, excluding nursery. This calculation is based on published admission numbers at each school and does not take account of temporary caps, which are not recognised by the DfE. To provide a direct comparison, surplus primary capacity in January 2023 was 24.1% and in January 2022 it was 23.1%.
- 2.2 Pupil on roll numbers have been declining for several years in primary schools. This is a common theme across London and can be partly attributed to a 17% reduction in birth rates since 2012. To provide some context, the pupils on roll number in 2018/19 was 9680. The 2024 Spring pupil census on roll figure is 7,870. This represents an 18.6% decline in pupil numbers over that period. The forecast pupil on roll number is estimated to be 7,037 by 2027/28. Taking account of this figure, without the removal of further capacity, the surplus figure

is estimated to be 30.2% by 2,027. This figure takes account of the future removal of primary capacity that has already approved.

- 2.3 Whilst the pupil numbers have continued to decline, the surplus capacity would be much higher if it were not for action that has been taken to date to remove capacity from primary provision. By September 2025, fourteen forms of entry will have been removed (a form of entry is on average 30 at the first point of entry). In 2018, the number of primary school places available was 11,588. As of January 2024, 10,635 places are available which is a reduction of 935 places. The surplus capacity has therefore remained stable but needs to be reduced to a level that is considered reasonable for an Inner London borough with significant mobility
- 2.4 As capacity has been removed from schools, the benefits are gradually being recognised for some schools with pupil numbers starting to either stabilise or increase. Ensuring a reasonable overall surplus across Westminster (approximately 10% as a minimum) will require more detailed focus on where further capacity needs to be removed. Residents should be able to access at least one school within a reasonable walking distance (up to two miles). Going forward, consideration to remove capacity from a school area will require the Working Group to factor in the availability across all year groups within a 2-mile radius.
- 2.5 To enable informed consideration of where further capacity should be removed, a more detailed analysis of all factors is advised to ensure removal is justified and is from a geographical area presenting excessive surplus capacity. The risk assessment tool devised by Isos Partnership in 2020 was agreed by the Working Group as the benchmark for analysis going forward. The Group also requested some further modelling be undertaken to determine what the required number of forms of entry would be needed across Westminster based on the forecast cohort of pupil roll numbers of 7,037 by 2027.

3. RECEPTION 2024 OVERVIEW

- 3.1 The Westminster resident application cohort of 963 has decreased by 4.7% this year compared to last year when 1,010 applications were received. The number of vacancies remaining was 420 on National Offer Day (16th April) which presents as an overall 30.7% surplus of school places. This figure aligns with the forecast surplus indicated in para 2.2.
- 3.2 There are currently six schools that have informal caps in place and will therefore present as having a lower surplus capacity. Three of the six school will be moving to a permanent PAN reduction from September 2024/2025 or will be considering on consulting to reduce from 2026. The knock-on effect of these caps has meant any offers that could have been made are distributed across other schools of choice. This in turn is having a positive impact for some schools with an increase in pupil numbers.

3.3 Taking account of the PAN reductions than will take effect from September 2024 and caps in place as indicated in para. 3.2, the overall surplus capacity for the forthcoming Reception intake reduces from 30.7% to 22.9%.

4. FINANCIAL POSITION

4.1 The formula to determine the DSG is mainly based on pupil numbers. With Westminster’s pupil numbers falling across primary schools, this means that although the rate of funding per pupil has increased, the overall level of funding is decreasing in local primary schools. This has created a sustainability challenge for a number of small schools in Westminster.

4.2 35% (13) of LA maintained schools reported a deficit at the end of 2023-24 and a further 6 schools budget plans move into deficit within the next two years. The size of overall deficits has increased from £2.607m to £3.328m which is increasing the risk to the Council and bringing into question the financial viability of some schools. The school balances are shown in **Appendix A** of the separate report on DSG Outturn and School Balances.

4.3 As reported to Schools Forum, Westminster was allocated £0.290m additional funding for schools in financial difficulty in 2023/24 and this has been carried forward into 2024/25 as part of the DSG. It is proposed that this funding is used to support those schools who are considering amalgamation in 2025 with any additional costs this leads to. In particular, but not exclusive to, recognising that there may be a pressure on leadership time during the transition phase following amalgamation. It is proposed that an additional lump sum be provided to the amalgamated school in year 2 that is 70% of the previous combined lump sum. As an example, the additional lump sums automatically allocated to amalgamated schools are shown in the first two columns of the table below and the proposed additional lump sum is shown in the third column:

Additional Lump Sum		
Year of Amalgamation*	1st Year After Amalgamation	2nd Year After Amalgamation
£89,416	£107,299	£61,313
Automatic allocation	Automatic Allocation	Proposed Additional Allocation
<i>*pro-rata dependent on date of amalgamation</i>		

5. SUPPORT AVAILABLE TO SCHOOLS CONSIDERING / PLANNING TO AMALGAMATE

- 5.1 The support available to schools considering / planning to amalgamate includes the following:
- 5.1.1 Support for Governance from Jackie Saddington in Governor Services regarding the process, consultation requirements, timescales etc;
 - 5.1.2 Additional lump sum funding covered in 4.3 above;
 - 5.1.3 Funding for replacement school uniforms; and
 - 5.1.4 Financial advice and support regarded an amalgamated school budget estimates and budget planning.

6. RECOMMENDATIONS

- 6.1 Schools Forum is asked to:
- 6.2 agree the Isos Working Group recommendations to:
- use the previously approved Isos risk assessment as a tool to support the work of identifying where further capacity can be removed; and seek to identify the total number of forms of entry required across Westminster in 2027 based on estimated pupil numbers.
 - require LA-maintained schools without a licensed deficit recovery plan in place, to either review and seek agreement for a revised deficit recovery plan or look to develop an alternative plan regarding the future viability of their school with their governing body. This plan should then be shared with the local authority in the autumn term of this year.
- 6.3 agree the proposed allocation methodology of the funds for schools in financial difficulty.

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