



Committee and Date
Young People's Scrutiny
15 July 2015

Item
Public

SCHOOLS SUSTAINABILITY

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1 Summary

The Report provides an overview of issues affecting the Sustainability of Schools in Shropshire. It sets out the problem of significantly declining numbers of pupils and the impact this will have on the funding for some schools.

It explains the basis on which Schools Forum and Cabinet decided on the funding formula for schools for 2015/16.

It outlines the work of two Task and Finish Groups (Schools Forum and Administration) on School Sustainability and their recommendations.

2 Recommendations

That the Committee accept the position as set out in the Report.

REPORT

Background

- 1. Shropshire Council's primary aim is to provide high quality education for all Shropshire children. The sustainability of the school network in the context of a significantly declining school population raises a number of issues. A falling school population in Shropshire bucks the national trend for *rising numbers of school children in most LA areas*.
- 2. The number of pupils on roll at Shropshire Schools has fallen by about 10% in recent years and this trend will continue, with a further fall of nearly 4% by 2019/20.

3. But the decline in numbers is not evenly spread throughout Shropshire. Some areas will see a modest increase in numbers or a fairly stable school population - so the decline in other areas will be greater than the 4% Shropshire average.
4. New house building in Shropshire has not had the impact on pupil numbers that might be expected. In the years from 2003 to 2012, 10,800 new homes were built in Shropshire whilst numbers of pupils *fell by more than 2500* in the same period.
5. Because Government funding is linked very closely to pupil numbers, Shropshire will almost certainly see a significant fall in DSG (Dedicated Schools Grant) over the next few years. The additional funding of more than £10 million (about £333 per pupil) received in 2015/16 will be substantially eroded as numbers of pupils continue to fall in the next few years.
6. The Schools Forum has carefully considered current and future levels of funding for Shropshire Schools. It recommended to Cabinet last December a formula for the current year which distributes the majority of the additional funding across all schools at a flat rate per pupil. Cabinet accepted this recommendation.
7. The Minimum Funding Guarantee(MFG) has in recent years benefited some Shropshire schools by cushioning reductions in per pupil funding. As funding per pupil increases, so the MFG decreases. Thus some Shropshire schools have derived little/no immediate benefit in the current year from the average increase in per pupil funding.
8. The Schools Forum established in November 2013 a Task and Finish Group on Schools Sustainability. The Group continued to meet on a regular basis through 2014 and meets rather less frequently in 2015. This Group was assisted in its work by the formation within the Administration of a parallel Group with the remit of securing Member backing at political level for the Schools Forum recommendations. A joint communication on behalf of both Groups was sent in September 2014 to all schools, local SC councillors, Parish and Town Councils and MPs.
9. The strong advice from Schools Forum and the two Task and Finish Groups on School Sustainability is that Governing Bodies should look very carefully at their projected pupil numbers over the next few years and the impact that the likely (in most areas) fall in numbers will have on the school's funding. All schools now have a modelling tool for calculating the impact of pupil numbers on the school budget.
10. There is no simple solution to Shropshire's problem. What works well in one part of Shropshire may not work at all in other areas. There are many ways in which the Council can help but there is no blue print that seeks to solve the issues across the whole County.

11. Governing Bodies are urged to look closely at collaboration with other schools. This can take many different forms e.g. a Federation or a Multi Academy Trust and we have a number of successful examples of different collaborative structures in Shropshire in both Primary and Secondary sectors.
12. However doing nothing is almost certainly not a sensible option.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)
Cabinet Member (Portfolio Holder)
Local Member All Members
Appendices