

REPORT TO THE CABINET

Date : 7 JUNE 2005

Title : SCHOOL ORGANISATION

REPORT OF THE CABINET MEMBER FOR CHILDREN

IMPLEMENTATION DATE : 20 June 2005

SUMMARY/PURPOSE

1. To receive an update report following the decision of the Executive on 24 March 2005 and to agree the next steps.

BACKGROUND

2. To enable new Cabinet members to assimilate the reasons for proposing structural change from a three tier to a two tier system some sections of previous reports are reproduced below:
3. The decision of the Executive on 21 April 2004 was that consultation should begin on the future of the Island's Education system. This was in response to a number of external reports that expressed common concerns (details are at Paper D, Executive 21/04/04 <http://www.iwight.com/council/committees/Mod-Executive/21-4-04/agenda.htm>):
 - underachievement at Key Stages 2,3,4 and post-16;
 - the range and quality of provision for 14-19 year old students.
4. In addition officer analysis had highlighted concerns about the ability of our current system to address the following issues:
 - the financial and educational viability of some small schools
 - the recruitment and retention of good quality staff
 - the location and number of schools at a time of falling rolls in the Primary sector
 - the role of schools in the context of a wider remit for Children's Services
 - the role of schools, the LEA and the Learning and Skills Council (LSC) in the context of published expectations at national level encompassing the Primary Strategy, the Government's 5 Year Strategy and the proposals of the Tomlinson Report.
5. Formative consultation on these issues and their structural context took place from May to August 2004. A wide range, across the education and training community and other interested stakeholders, participated in this formative consultation. The conclusions were presented to the Executive meeting of 6

6. October 2004 Paper C (<http://www.iwight.com/council/committees/Mod-Executive/6-10-04/agenda.htm>) at which it was decided to employ external consultants to address the key emerging issues and to make recommendations for the way forward.
7. Following a tendering process the LSC and the LEA appointed the consultants FourS on 18 October 2004. Their Executive summary was published on 21 January 2005 and the full report on 26 January 2005. Their methodology, evidence, analysis and recommendations have been presented in a series of 7 open, public information evenings during February 2005. These meetings have shown both support and opposition to the main recommendations.
8. Opposition has included concern about: structural change and whether it is necessary; disruption to children's education during change and whether change can guarantee improvement.
9. Support has included: acknowledgement of the need to make schools fully accountable for the primary and secondary curriculum; the need to tackle standards of achievement collectively and the advantages of being aligned with the national system. The acknowledgement that change to the number and location of schools will have to be addressed and that to do so in one coherent change is better than trying to solve problems on a school by school basis.
10. The consultants' 3 principal recommendations were:
 - a. Schools, the Isle of Wight Council and the Learning and Skills Council should create and then implement a collective vision for the Island education service with specific targets and responsibilities being agreed for each partner.
 - b. Schools should be reorganised into the national pattern of 4-11 primary schools with 11-18 secondary schools, but the new, possibly Voluntary-Aided denominational, school should be 11-16, with its sixth form based at the Isle of Wight College.
 - c. For post-16 students there should be an Island-wide formal framework of learner entitlement with effective collaboration between all providers – schools, the IW. College, Work-Based Learning Providers and Connexions.
11. These recommendations in the report have the support of the senior officers of the LSC. The latter fund all post-16 education and training and are partners in strategic planning for 14-19 year old students.
12. In addition, at its meeting of 24 March 2005, the previous Council's Executive passed the following resolutions:
 - a. The Executive will receive further reports proposing a detailed scheme for formal consultation, at its meeting on 1 June 2005. (changed to 7 June)

- b. On the conclusion of the formal consultation, the Executive will receive a further report to determine a scheme to be submitted to the School Organisation Committee.
 - c. To deliver the post-16 framework two formal partnerships, one based in Newport and the other in East Wight, be entered into by 21 October 2005.
 - d. In the event that the framework has not been agreed, or if either of the two partnerships have not been formed by 21 October 2005, the Executive should receive a further report considering a post-16 centre in Newport associated with the I.W College.
 - e. All reports concerning school organisation be brought to the Select Committee by the Portfolio Holder before going to the Executive.
 - f. A scheme be developed to provide a transitional protection for staff and that this scheme be brought back to the Select Committee within 6 months.
 - g. A specific communications strategy be developed for ensuring that all stakeholders are kept fully aware of actions being taken on school organisation.
 - h. Schools, the Council and the Learning and Skills Council should have created a collective vision for the Island education service by 21 October 2005.
 - i. A debate on the future organisation of Island schools be held by the full Council following the May 2005 elections.
 - j. An information leaflet be distributed to all Island households explaining the stage reached and the processes that will follow as a result.
13. The original intention of the previous Executive was that this paper would detail the formal consultation arrangements associated with a structural change to the education system. It is acknowledged that such a change is not the preferred option for the current majority group. However, research has been undertaken to determine the consultation process and timetable and the approximate associated revenue costs. Details of these are as an Appendix to this report in the event that they are required, after the period of review that is proposed in the recommendation.
14. Stage 1 of formal consultation would involve intensive discussion with school communities in 9 distinct areas. It is suggested that these should be: West Wight, Cowes, East Cowes, Newport, Ryde, East Wight, South East Wight, Ventnor, and Central/South West Rural. The purpose of these discussions would be to present factual data relating to school rolls and forecasts, staffing and cost details and broad outline curriculum and size considerations. Communities would be asked to propose their own options to address standards and sustainability for their area. It is suggested that there should be 2 meetings for each area; one should involve staff and governors of the area schools and one should be for the

wider public including parents, pupils and Town and Parish Councils. This initial consultation would take 3 months to complete.

15. Stage 2 involves officer consideration of all inputs and publication of preferred models for reorganisation by area. This must take place within 12 months of the conclusion of consultation.
16. Stage 3 allows for representations (e.g. objections or supportive comments) to be made. They must be received within a statutory 6 week period from the publication of the proposals. This is the final opportunity for those wishing to express views about the proposals to ensure that the decision maker is aware of their support or objection.
17. Stage 4 requires that, within 1 month, the proposals and representations are made available to the School Organisation Committee for decision. They must be satisfied that sufficient capital is available (or supported formally e.g. by a letter from the DfES Capital team showing an allocation not yet received). If the decision is in favour of the proposals, and is unanimous, then the implementation phase follows. If not, then proposals and representations are sent to the Schools Adjudicator for decision.
18. Appendix 1 shows how these processes might occur in graphical form.
19. The appendix is illustrative only. The actual time span would be dependent on: a) the size of the reorganisation team and, therefore, the speed at which stages might be completed; b) the application for and decisions on capital – applications would normally have to be complete by the end of April, with decisions known by the end of July.
20. In addition to the illustrative timetable for formal consultation it may be helpful at this stage to have an indication of the revenue costs that would be associated with reorganisation. This is provided in the Financial/Budget Implications section below.

STRATEGIC CONTEXT

20. The Community Plan as expressed in Island Futures has, as a key theme, developing learning and skills.
21. The key Corporate Objective of Raising Educational Standards is central.
22. The key Corporate Objectives of encouraging job creation and economic prosperity both require an education service that maximises potential and helps to attract inward investment.
23. The core objectives of the Education Development Plan are delivered through the existing or planned school system.
24. The national objectives for raising standards of achievement and for reconstructing/refurbishing the secondary school estate are intimately involved with school organisation.

25. The Council's objective to establish an integrated Children's Services Directorate creates a context in which the range and location of services is an important part of the development of educational sites.
26. The 14-19 Action Plan, the Government's 5 Year Strategy, the recently published Education White Paper and those aspects of the Tomlinson report that have been accepted also provide strategic context.

CONSULTATION

27. Consultation on timescales and stages associated with School Reorganisation has taken place with the DfES School Organisation Team.
28. Research on School Reorganisation revenue costs has concentrated on 2 Authorities that are about to complete the process. One, Exeter, has been involved with a PFI-based reorganisation; the other, Milton Keynes, has financed its plan through capital grant.

FINANCIAL/BUDGET IMPLICATIONS

29. Appendix 2 shows the estimated revenue costs associated with reorganisation. These were commissioned by the outgoing Executive to provide further detail. It is acknowledged that the current Council's view is that reorganisation should not proceed at this time and that, therefore, the figures constitute background data that would be of use if required at a later date. The figures provided are based on the actual experiences of Devon County Council, in their reorganisation of Exeter's 38 schools, and of Milton Keynes Council who have adapted most of their 117 schools. They are not a simple average of the 2 Authorities, but take into account Exeter's need to service the requirements associated with a Private Finance Initiative(PFI). The sources available to finance Island revenue needs would include reduced lump sums for each school closed (£32,000 p.a. for primaries, £80,000 p.a. for middle schools), reduced small-schools subsidy and the savings on site-specific costs. Additional help would be sought from the Department for Education and Skills (DfES).
30. The capital costs of reorganisation on the Island were presented as part of the Finance/Budget section of the Executive Paper C, 24 March 2005 (<http://www.iwight.com/council/committees/Mod-Executive/24-03-05/agenda.htm>)

LEGAL IMPLICATIONS

31. The LEA is under a duty to ensure that there are sufficient schools for their area. This duty is found in Section 14 of the Education Act 1996.
32. Section 6 of the Schools Standards and Frameworks Act 1998 (the 1998 Act) lays an additional duty on the LEA to prepare an educational development plan, and Sections 28-35 of the 1998 Act confer a duty on the LEA to publish proposals for closing schools or establishing new ones.

33. The Learning and Skills Act 2000 places a duty on the LSC to plan and fund post-16 education and training and to work strategically with the LEA and other stakeholders in making provision for 14-19 year old students.
34. The responsibility for determining the provision of schools on the Island lies with the Schools Organisation Committee which is not a part, or function, of the Isle of Wight Council.

OPTIONS

35. **OPTION 1**
The proposed to consultation stages, timetable and illustrative revenue costs are noted but no further action is required at this stage because reorganisation of schools from 3 tier to 2 tier is not to be pursued in the foreseeable future.
36. **OPTION 2**
Consultation with local communities proceeds from September 2005. Capital and revenue streams are pursued in order that a reorganised school system can be delivered by September 2008 if possible.
37. **OPTION 3**
The proposed consultation stages, timetable and illustrative revenue costs are noted and may be revisited if a systematic review of standards and sustainability issues demonstrates that the current system has not provided sufficient improvement in standards within a sustainable system.

EVALUATION/RISK MANAGEMENT

38. **OPTION 1** at paragraph 36 needs to be considered against the criteria outlined below.
39. There is a general understanding and acceptance that 'no change is not an option'. There is, however, disagreement about how much change is needed to bring about real improvement in standards of achievement and what needs to be done to produce a sustainable structure. An evaluation of the different options needs to be undertaken against key criteria:
 - a. complete accountability for the outcomes of the Primary and Secondary curricula
 - b. the ability to attract and develop professionally the best possible staff
 - c. the optimum use of scarce resources to meet all pupils'/students' needs
 - d. the need to be in the mainstream of national planning, training, curricular support and professional development
 - e. the preservation of choice, including faith-based schools and the ability to respond to different learner needs, particularly for older students
 - f. the ability to deliver and sustain viable educational institutions over the next generation
 - g. the model should be achievable/practicable

This list is not exhaustive but is fundamental to the twin aims of standards improvement and sustainability over time.

It is possible to have other criteria for judgement e.g. produces least disruption, costs as little as possible, but they would have to be able to demonstrate that they are critical factors in achievement of higher standards and in producing a sustainable structure into the future.

40. Applying these criteria to the maintenance of the 3 tier system it will be evident that only criteria e and g are satisfied. This option cannot be supported, at officer level, because it does not deal with the need for systemic change to address the other 5 criteria listed above. The focus on unsatisfactory achievement and the need to provide a system of education and training that is sustainable for the next generation is the challenge that has been identified, not only by external inspectors and consultants but by the Island's own professional educational community. There are risks to children and to the key providers of education and training if the commitment to tackle these issues is not pursued. The commitment is already present in the 14-19 Action Plan and the LEA OFSTED Action Plan that have been ratified by the Executive. To pursue this option would run counter to these commitments and would increase the likelihood of national intervention following unfavourable external inspection.

41. **OPTION 2**

42. Pursuing Option 2 would mean:

- aligning the Island's system with that in which more than 95% of the nation's children are taught which ensures full accountability;
- removing one obstacle that might prevent potential applications for jobs in the school system – the lack of ability to teach across the normal primary and secondary age range;
- promoting the optimum use of resources for learners by insisting on formal collaboration between providers, particularly at 14-19 level, and by proposing fewer schools in a changed structure;
- advocating placement of Island educators and trainers in the mainstream of professional development and training;
- preserving choice of type of institution e.g. in terms of faith-based education and in terms of learner choice at 14-19;
- proposing rationalisation of provision to a structure that includes schools of viable size and sustainability
- it is achievable providing capital and revenue resources can be made available.

43. There are risks associated with the recommendations. They include:

- acquiring all capital allocations at the right time to achieve change within the minimum period;
- all the risks associated with major project management;
- the need to harness the professionalism and commitment of all stakeholders to achieve all the recommendations with the least disruption possible to students, staff and other stakeholders;
- the risk of losing sight of educational personnel and real teaching and learning by concentrating on transport, finance, structures and systems;

- a failure to acquire sufficient revenue to employ the necessary expertise to see through the major project of reorganisation.
44. There are risks associated with not following Option 2. They include:
- further relative decline of standards of achievement for another generation of young people;
 - a failure to deliver the commitments entered into in public Action Plans;
 - a failure to act decisively to create a sustainable system;
 - loss of momentum for change.
45. **OPTION 3**
46. There have been, in addition to the FourS report, 4 other external analyses of the Island's education and training system. The first three - KPMG, the Melia Report and the 14-19 Area inspection, all focused on 14-19 provision. The LEA OFSTED inspection and the Area Inspection both pointed to unacceptable standards of achievement, the 14-19 report focused on GCSE and post-16 standards, and the LEA inspection on achievement beyond Key Stage 1. The nature of that underachievement and the reasons for it are analysed in the FourS report. Their recommendations have emerged from their brief – “what steps need to be taken to ensure standards on the Island are raised and how can a long-term educational structure be provided”. The evidence base from these sources makes the case for change to be accomplished as soon as possible.
47. Option 3 proposes a further delay to see whether standards can be improved without structural change. This is only desirable if it is believed that sustainable major improvement will take place within the existing 3 tier structure. This would have to be subject to continuous review with a formal, summative review no later than October 2006. The reason for this date is that, if reorganisation needs to be re-visited, it would be possible, using the consultation schedule described in paragraphs 14-17 and Appendix 1, to make application for capital grant in the 2007 round. If this opportunity is missed then it will not be possible to finance change from grant alone but would entail the Isle of Wight Council becoming involved with a PFI. The affordability gap between PFI credits from government and repayments to the private company would be a major undertaking for a small Authority.
48. At one end of the continuum are those who believe that we should close or federate the smallest schools and focus on the poorest performing schools. This, it is argued, would be sufficient and not particularly disruptive. This model goes some way to meet criteria c) and f) but does not meet criteria a), b, d) or g). The practicability problem is threefold.
- Federation as a sustainable option for all of the smallest schools depends on the availability and willingness of partner schools to participate. This may be feasible at some times and in some areas.
 - There is a DfES presumption against closing small rural primary schools if there is local opposition and closure is not part of a larger rationalisation.

- The evidence of the LEA's School Improvement Team is that intervention with weaker schools is successful in the short-term but that this often does not sustain once the intensive support is removed.

ADVICE ON OPTIONS

49. The officer advice supported by the Directors Group is **OPTION 2**. If **OPTION 2** is not acceptable, then **OPTION 3** is recommended. If **OPTION 3** is to be pursued, then it is further recommended that a further paper be brought back to the Cabinet, following consideration by the Children and School Performance Commission, within 3 months setting out how standards are to be tackled within the existing 3 tier system.

BACKGROUND PAPERS

50. FourS consultants' final Strategic Options Report (January 2005).
51. Isle of Wight Council Executive Paper D, 21 April 2004.
52. Isle of Wight Council Executive Paper C, 6 October 2004.
53. Isle of Wight Council Executive Paper B, 24 March 2005.

ADDITIONAL INFORMATION

54. Appendix 1 Illustration of formal consultation stages.
55. Appendix 2 Possible revenue costs.

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ILLUSTRATION OF FORMAL CONSULTATION STAGES

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Stage 1 Area Consultation	—————														
Stage 2 Officer Formulation of Proposals (and Bids for Capital) Followed by Publication of Proposals.				—————											
Stage 3 Representations (6 week limit).												—————			
Stage 4 Representations and Proposals to School Organisation Committee (within 1 month).														—————	

Implementation

Schools
Adjudicator

POSSIBLE REVENUE COSTS

Revenue Costs Estimates Only	Financial Year					Total
	Year 1 £,000	Year 2 £,000	Year 3 £,000	Year 4 £,000	Year 5 £,000	
Staff Protection	200	350	300	200	50	1,100
Provision for Redundancy/PRC	600	400				1,000
School Support*(1)	350	100	50			500
School Re-organisation Team	125	250	250	25		650
LA Additional Costs*(2)	90	50				140
Home to School Transport	Totally dependent on consultation outcomes – likely to be additional costs.					
Total medium-term transition costs	1,365	1,150	600	225	50	3,390

*(1) School support would need to include:

- secondment/ taster opportunities
- training
- recruitment
- curriculum set-up costs
- signage
- additional school administration
- specialist HR costs

*(2) Local Authority additional costs would need to include:

- additional admissions staff
- additional transport staff
- additional support for SEN casework