Northumberland County Council

CABINET

Date: 19 December 2017

Education in the west of Northumberland

Report of Andrew Johnson, Interim Director of Children's Services

Cabinet Member: Councillor Wayne Daley, Children's Services and Deputy Leader of the Council

Purpose of the Report

1. There has been considerable uncertainty around the educational direction of the west of the county for the last two years. Although the local authority is pleased with the educational standards achieved by many schools in the west of the county, there remains some doubt about their long term future and whether they will be able to maintain these standards due to a variety of external factors beyond the control of the authority.

2. The Regional Schools Commissioner (RSC) wrote to the interim Director of Children's Services on November 7th 2017 explaining that *"Section 68 of the Education and Inspections Act 2006 enables the Secretary of State to direct a local authority to discontinue a maintained school, where the school is eligible for intervention".* This letter was in reference to Haydon Bridge High School. This letter also states that "*Department for Education officials have been working since early 2015 to seek a sponsor for the school. The Bright Tribe Trust was formally approved as sponsor in October 2015".* The letter asks the county council to provide a detailed viability assessment of Haydon Bridge High School by December 5 2017.In addition to this the Hadrian Trust have also had an informal consultation setting out their desire to become an 11-18 academy. Many smaller schools in the west of the county are predicting financial difficulties in the next three years.

3. In light of this situation and the recent withdrawal of the Bright Tribe Trust as the sponsor of Haydon Bridge High School, Officers believe it is now necessary to seek the views of all the schools and the wider community in the west of Northumberland. 21 schools responded to a letter from the local authority expressing that a consultation was necessary, 9 schools did not respond within the timescales. However there are issues we need to tackle and opportunities we need to take if our school system is to be ready for the next decade. This report therefore sets out a recommendation to Cabinet to approve a two-stage process of informal consultation looking at education in the west of Northumberland. The first phase would begin on 11 January and end on the 26 January to find out the views of the leaders of all the schools and academies in

the west on the challenges and opportunities they face. Officers would act as mediators to attempt to gain consensus on a model/s of school structure. This would form the basis for the second part of the consultation that would take place with all stakeholders, subject to delegated approval from the Chief Executive in consultation with the Member for Children's Services/Deputy Leader. This second phase is envisaged to begin on 5 February for six school weeks to 9 April and will include all involved in the schools; parents, staff and the wider community.

4. The outcomes of any wider consultation would be presented to Cabinet at a later stage, where Cabinet may be recommended to permit the publication of a Statutory Proposal.

5. A second stage of comprehensive consultation would enable the Council to respond to the request from the Regional School's Commissioner to determine the long term viability of Haydon Bridge High School. As a result of this wider informal consultation, Cabinet may be requested to permit the publication of Statutory Proposals and further formal consultation on a particular model.

Recommendations

It is recommended that Cabinet:

1. Approve a first stage of informal consultation with educational leaders in local schools and academies in the Haydon Bridge and Hexham Partnership on the following issues and devise a proposal for a model for the future:

    - Withdrawal of Bright Tribe from sponsorship of Haydon Bridge High School and the inability of the DfE to find another sponsor willing to take over the school
    - The Hadrian Trust's proposal for Queen Elizabeth High School to become an 11-18 secondary school
    - The high number of surplus places,
    - The weak financial position of many schools
    - Capital investment in schools in the west
    - The current model of provision
    - Alternative options for secondary-age students in the Haydon Bridge Partnership;
    - Whether the Council should work towards establishing a Trust that would enable it to become a multi-academy sponsor for schools.
    - Special Educational needs and disabilities, social mobility and inclusion

2. Delegate the timing and method of any second stage of informal consultation to the Chief Executive in consultation with the Deputy Leader/Member for Children's Services and noting that consultees would be asked for alternative options to those set out as a result of part one of the process.

3. Note that the outcomes of any informal consultations would be presented to Cabinet at a later stage and that a recommendation to permit the publication of Statutory Proposals may be made at the end of consultation.

Key Issues:

1. The desire of the Local Authority to maintain and enhance the high quality of education in the west of Northumberland and sustain and enhance educational performance.

2. The withdrawal of Bright Tribe Trust from the sponsorship of Haydon Bridge High School after a period of two years of deliberation. The inability of the DfE to find a willing sponsor for the school.

3. The Regional Schools Commissioner wrote to the council on 7th November 2017, stating that section 68 of the Education and Inspections 2006 Act enables the secretary of state to direct a local authority to discontinue a maintained school, where that school is eligible for intervention. This potentially puts the future existence of Haydon Bridge High School as a separate entity under threat.

4. HBHS remains in special measures two years after an Ofsted inspection. It has built up a financial deficit of circa £1million over the last 5 years. In previous years this deficit position would have been carefully managed by the Local Authority, since the imposition of the SoS appointed IEB this is no longer possible. In the last year, the school has been removed from the governance of the local authority and has been run by the Interim Executive Board (IEB).

5. The Hadrian Trust which makes up QEHS and Hexham Middle school believes that a reorganisation to an 11-18 structure is necessary for their multi-academy trust to be financially and educationally viable and has informally consulted schools in the Hexham Partnership.

6. There is significant over-capacity in terms of school places in the west of the county. In total, there are 6,942 places available in schools in the Hexham and Haydon Bridge Partnerships, with 4,896 pupils on roll in those schools. This represents 30% surplus places across the combined partnerships.

7. Many of the small schools in the west of the county are predicting precarious financial positions by 2020/21.

8. The school and academy buildings in the west of the county are in need of significant capital investment, particularly at QEHS, which has already been identified as a national priority for investment and is included in the Priority School Building Programme.

9. The Local Authority would like to establish a ‘spin-off’ Trust to enable it to establish a multi-academy trust (MAT) to enable small rural schools to build sufficient capacity to remain both financially and educationally viable. This application would be made as a separate process to the Secretary of State and involve partners from the Higher Education sector, NHS, industry and schools.

10. The Council has a duty to support schools to improve standards, support continuity of education, and ensure sufficiency of school places within Northumberland and smooth transition between schools. This can only be achieved if schools and academies work together in partnership.

11. Informal consultation in a two-stage process, initially with educational professionals and then with the wider community, will enable viable options to be developed. Alternatives would be sought and modifications made as appropriate before any formal proposals were brought forward for consideration by Cabinet.

Report Authors: Andy Johnson – Interim Director of Children's Services
Sue Aviston – Head of School Organisation and Resources.

BACKGROUND

1. The Local Authority has been concerned about the quality of leadership at Haydon Bridge High School since 2014. It intervened to raise standards by removing the governing body and placing an interim executive board in place. However an Ofsted inspection took place before the IEB could have any impact and as a result the school was placed into special measures and made subject to intervention. In essence this means that the school should either become a sponsored academy or the DfE would direct the authority to close (discontinue) it.

2. The Bright Tribe academy trust were identified as a preferred sponsor and academy orders were served on the school two years ago. The local authority expressed concerns to the DfE about the business plan that Bright Tribe put forward as it could not see the educational or financial viability of the proposal. The authority proposed an alternative model based upon collaboration with QEHS. This idea was rejected by the DfE and they insisted that Bright Tribe would take the school forward.

3. In December 2016, the Council wrote again to the Secretary of State expressing "*serious concerns regarding the protracted delay and uncertainty in the process for converting Haydon Bridge.*" Nearly a year later, due to the withdrawal of Bright Tribe, the situation is no further forward in securing a long term future for education in Haydon Bridge and this has an impact on the whole of the west of the county.

4. Haydon Bridge has the capacity for 904 students, but only 361 students (including 6th Form) were on roll at the school in October 2017; this means the school is operating at less than 40% capacity. It accepts pupils in Years 7 and 8, but currently struggles to recruit sufficient pupils to fill a single class of 30 in each year group. So far for 2018, there have only been 23 applications for a place in Year 7 and just 14 for year 9. As a result of its lack of numbers and its required staffing levels as a secondary school, it is currently running with a budget deficit of around £641,000 per annum. Many parents in the catchment area choose to send their children to QEHS; current data indicates there are 239 students, including sixth form, living in the HBHS catchment on roll at QEHS. Based on Year 9 to Year 11 students only, this means around 38% of families within the HBHS catchment choose to send their children to QEHS. Parents living in the HBHS catchment area who choose to send their children to QEHS are not eligible for free transport unless it is their nearest school.

5. HBHS has been in special measures due to its Ofsted inspection for two years - this means it is providing an inadequate education. After due diligence, no academy sponsor is willing to take on the school due to the financial risks and educational challenges of running such a small secondary school. The RSC has been working to find a sponsor for more than two years and none have been found.

6. The governing body was removed and an Interim Executive Board (IEB) appointed by the Council in 2105; this was replaced by the Secretary of State for Education by an externally appointed IEB in February 2017. Currently the Secretary of State appointed IEB is responsible for the governance of the school. It is uncertain what will happen to this IEB on the withdrawal of Bright Tribe Trust.

7. On the day that the Academy Order was made (22 October 2015), the Regional Schools Commissioner for the North wrote to the Council to explain that Bright Tribe was the preferred sponsor for Haydon Bridge. Bright Tribe was also identified as the preferred sponsor for Haltwhistle Upper and Lower academies.

8. The transfer of the Haltwhistle academies to the Bright Tribe multi-academy trust took place on 1June 2017. It was assumed by the Local Authority that the HBHS funding agreement would be signed in September 2017.

9. The academy order remains in place for HBHS, but the school hasn't converted to become an academy. Bright Tribe withdrew their offer to sponsor HBHS as of the 23 November 2017 after having carried out very protracted due diligence and concluded that the school is not viable.

10. Since the DfE IEB took over responsibility for the school, they have attempted to reduce costs. They closed the leased boarding provision at Ridley Hall, so all pupils now travel to school each day on transport provided by the Council in line with the Home to School Transport Policy.

11. Both Interim Executive Boards who have been running the school over the last three years have expressed concerns that the school is not financially or educationally viable caused by the need to have sufficient staff to provide a full secondary curriculum. Many pupils who live in the Haydon Bridge catchment area choose to attend QEHS or William Howard High School in Brampton, Cumbria.

12. Most recently the IEB has initiated a staffing restructure to reduce costs, however this makes delivering a broad and balanced curriculum to pupils very difficult and will still not resolve the deficit position which is likely to remain at least £500,000 per year.

13. Whilst QEHS haven't carried out formal due diligence, they have confirmed to the RSC and Local Authority that they couldn't take on the financial or educational risks associated with running Haydon Bridge as a standalone school as part of a multi-academy trust. The Trust would however be willing to look at ways of subsuming the pupils into their existing cohort, depending upon the requirement to provide additional physical resources.

14. Given all of these factors, the RSC have therefore reached the conclusion that they will require the Council to carry out a viability assessment, as the first step, to see what alternative options are available for the future of the school

and if there are no alternatives ultimately they may have to recommend it is closed.

Curriculum Delivery

15. It is clear that if a secondary school or academy is to remain in Haydon Bridge and is required to deliver a full secondary school national curriculum that includes Key Stages 3, 4 and 5, then it will need to employ sufficiently qualified and experienced staff and have appropriate specialist resources. Given current and projected pupil numbers, current staffing levels and resources, and the impact this has on funding, this would mean the school would run at a very significant deficit.

16. There are several potential options for an educational presence to be maintained in Haydon Bridge. Options include the removal of the sixth form at Haydon Bridge and the resulting expansion of the QEHS sixth form offer. QEHS may consider an extension of its age range to include years 7 and 8,if this was to be authorised by the RSC then pupils currently in the Haydon Bridge years 7 and 8 could be offered places at QEHS. Therefore, the Year 9, 10 and 11 curriculum offer at Haydon Bridge could become more vocationally focussed and offered as an alternative to the more academic model offered at QEHS. Alternatives such as these would be explored as part of any consultation.

Financial headlines

17. Haydon Bridge is currently predicted to have a budget deficit of around £626.000 for 2017/18. If staff reductions are made as planned its ongoing debt will be around £500,000 per year, even if the sixth form was to merge with QEHS, due to the nature of the secondary curriculum model. The school had a deficit of £641,000 in 2016/17, £321,056 in 2015/16 and £141,666 in 2014/15.

18. We understand the QEHS has a budget deficit of £94,287 for 2015/16, the previous year the school had a budget deficit of £113,204, which again may be attributed to a result of spare capacity and costly buildings. Over the last three years the number of pupils attending QEHS from Haydon Bridge catchment has nearly doubled.

19. The Council holds no financial information for Haltwhistle Upper and Lower academies, however we are aware that it has significant spare capacity in terms of pupil numbers.

20. In the Hexham partnership of school there are 14 maintained schools of which 10 are predicted to be in a financial deficit by 2021 based on the latest information from indicative budget meetings, with an estimated deficit for the partnership as a whole of -£764,269. There are also 2 academies in the partnership for which the local authority do not hold budget information.

21. In the Haydon Bridge partnership of schools there are 13 maintained schools of which 11 are predicting a financial deficit by 2021 based on latest information

from indicative budget meetings, with an estimated deficit for the partnership as a whole of -£4,117,764. There are also 2 academies in the partnership for which the local authority do not hold budget information.

Two-stage Consultation

22. The first stage of consultation would take place with educational leaders in all schools in the Haydon Bridge and Hexham Partnerships on developing a model on which to consult at the second stage. This first stage would take place between 11 January and 26 January 2018. The second stage would begin on 5 February and end on 9 April 2018. The outcomes of consultation would be considered by Cabinet on 8 May; Cabinet would decide whether it is necessary to publish a Statutory Proposal. The statutory process would run from 10 May to 7 June and conclude with a formal decision by Cabinet in July. Any school reorganisation would not begin until September 2019.

23. As a result of any recommendation for consultation on options arising from the first stage of consultation, the Member for Children's Services and the Chief Executive may approve a second stage of consultation on such options. Any consultation at this point would focus on a wide range of factors, including:-

- Educational outcomes
- Pupil transition
- Admissions arrangements
- Buildings and finance
- Home to school transport
- Special Educational Needs and Disabilities
- Impact on employees of schools and academies
- Sport and Recreation implications
- Catchment areas
- Rurality and wider community issues

24. Consultees would be asked if they had any alternative suggestions to the options being put forward that could be adopted for some or all of the schools in the Hexham and Haydon Bridge Partnerships.

25. A decision about the future of education at Haydon Bridge is urgently required. However it is necessary to build this decision into place planning and the school configuration of the whole of west Northumberland, hence the request for the two-stage consultation.

26. The Council could be asked to take back control of HBHS from the existing IEB and await a sponsor to be found by the RSC. The school would remain open until a new sponsor was found or until the RSC directed the authority to close the school. To preserve a stand-alone secondary school in Haydon Bridge, the Council would have to ensure educational standards rise and the school improves from its current special measures status to become good.

27. The Council could provide an annual subsidy to the school from the council core budget in the region of £500k. This would allow HBHS to operate with a

similar number of staff to those currently employed to deliver a broad based curriculum. Despite this a further staffing restructure would have to take place and the number of senior and middle leaders be reduced. The Council would have to allocate any redundancy costs. Other schools in the west may need a similar process if the status quo is to be maintained.

28. If the HBHS site is to remain open and operate as it does currently, the Council would have to provide capital investment in the region of £1.5m to reduce the number of empty or unused buildings at HBHS and address the building condition issues that are required in the next 5 years to ensure the buildings are fit for purpose and cost efficient.

29. After the withdrawal of the Bright Tribe Trust, the land upon which the school is built would revert back to the Council ownership until a suitable new sponsor is identified, at which point it would be leased to them.

30. Data on the schools that would be part of the consultation is set out in Appendix 2. Given the current configuration of schools it would seem unlikely that any outside sponsor could be attracted or an extended multi-academy trust established.

31. It is proposed that the Council would apply to the DfE to establish a 'spin-off' Trust to establish a MAT. A pilot MAT could be initially established, involving a small group of good and outstanding schools from a variety of phases. Subsequently schools that were struggling to remain viable would be invited to join the MAT. It is uncertain how quickly this could be established or whether the DfE would accept such a proposal.

BACKGROUND PAPERS

None

IMPLICATIONS ARISING OUT OF THE REPORT

Policy:	The consultation would be consistent with the Council's policy to review changes to schools in accordance with local wishes and needs.
Finance and value for money:	As part of consultation, consideration will be given as to whether the current model of provision is either financially or educationally sustainable;
Human Resources:	As part of consultation, the impact of any alternative options to the current system of educational provision would be considered.
Property:	Refer to 'Finance and value for money' above
Equalities: (Impact Assessment attached) **Yes** ☐ **No** ☐ **N/A** ☐	An Equalities Impact Assessment would be carried out concurrently with the second stage consultation, should it be approved by the Member for Children's Services and Chief Executive
Risk Assessment:	A full risk assessment would be carried out on the project should the second stage of consultation be approved.
Crime & Disorder:	This report has considered Section 17 (CDA) and the duty it imposes and there are no implications arising from it.
Customer Considerations:	The proposals set out in this report are based upon a desire to act in the best educational interests of students.
Carbon Reduction:	It is not envisaged that this proposal would have a significant positive or negative impact on carbon reduction.
Wards:	Hexham West; Stocksfield and Broomhaugh; Corbridge; Humshaugh; Hexham East; South Tynedale; Haltwhistle; Bywell; Bellingham; Hexham Central and Acomb; Haydon and Hadrian

CONSULTATION

This report has been considered by the Cabinet Member for Children's Services and the Chief Legal Officer.

Report sign off.

Finance Officer	SD
Monitoring Officer/Legal	LH
Human Resources	n/a
Procurement	n/a
I.T.	n/a
Chief Executive	DL
Portfolio Holder(s)	WD

Report Authors: Andy Johnson, Interim Director of Children's Services
Sue Aviston – Head of School Organisation and Resources.

Appendices

Letter from RSC, 7 November 2017 – Appendix 1

Data on schools in Haydon Bridge and Hexham Partnerships – Appendix 2

Appendix 1

Letter from Regional Schools Commissioner, 7 November 2017

Department for Education

Regional Schools Commissioner, North
Department for Education
Bishopsgate House
Feethams, Darlington
DL1 5QE

Email: RSC.North@education.gov.uk

Date: 7 November 2017

Mr Andy Johnson
Director of Education and Skills
Northumberland County Council
County Hall
Morpeth
NE61 2EF

Dear Andy

Haydon Bridge High School and Sports College

As a result of Haydon Bridge High School and Sports College being judged by Ofsted to be inadequate, the school is eligible for intervention under Part 4 Education and Inspections Act 2006.

As you know, DfE officials have been working since early 2015 to seek a sponsor for the school, which was judged by Ofsted to require special measures in its report, published 10 February 2015. Bright Tribe Trust was formally approved as the sponsor in October 2015.

The subsequent information provided by the school, the interim executive board (IEB) and prospective sponsors about projected budgets and pupil place planning highlights there are on-going viability concerns.

Section 68 of the Education and Inspections 2006 Act enables the Secretary of State to direct a local authority to discontinue a maintained school, where that school is eligible for intervention (see also page 36 of the Schools causing concern guidance). To enable me to start to consider all the relevant factors, please can you provide a detailed viability assessment for Haydon Bridge High School and Sports College, by 5 December 2017 to Chris Brien at christopher.brien@education.gov.uk for the following:

- Number of first preferences for next school year and number of offers made.
- Number of pupils leaving in-year and number staff leaving and not being replaced.
- How the school currently fits into your plans for providing sufficient local school places in the medium to long term (for example, 5 – 10 years)? Please include population/birth data as evidence.
- Whether you have considered closure of Haydon Bridge High School and Sports College and, if so, the outcome and rationale for chosen course of action. If not, what your view would be on the school being closed?

- If you have decided not to close the school, please explain how you plan to make the school financially sustainable in the short to medium term (for example, 1 – 5 years) – restructuring / additional financial support?

- If the school was to close, please provide details regarding other schools within a set radius that could absorb the pupils now and cope with pupil place need in the medium to long term? Please provide proximity and capacity data.

- If the school is in a rural region and local schools are some distance away, please provide details regarding public transport links to alternative schools that have capacity to absorb the unviable school's pupils?

- What is your assessment of the likely community and other stakeholder reaction if the school was to close?

- Any other relevant information? For example, historical financial information (has the school had financial issues for some time, suggesting viability has been an ongoing issue). Anything else the department needs to be aware of?

Yours sincerely,

Jan Renou
Regional Schools Commissioner for the North

Appendix 2

Haydon Bridge Partnership - schools and academies data

School	Number on Roll (Oct 17)	Capacity	Surplus Places	Ofsted Grade	2017 GP Data	Approx. Distance to Nearest School	Financial Deficit by 2021 (Y or N)
Haydon Bridge High	361	904	543	Inadequate	148	6m	Y
Haltwhistle Upper	143	300	157	Inadequate*	41	16m	Academy
Bellingham Middle	109	240	131	Requires Improvement	40	16.1m	Y
Bellingham First	47	105	28	Good	6	5.6m	Y
Kielder First	9	75	66	Outstanding	2	13.8m	Y
Otterburn First	34	75	41	Good	8	5.8m	Y
West Woodburn First	23	44	21	Good	5	5.8m	Y
Greenhaugh First	28	40	12	Good	3	5m	Y
Wark First	31	75	44	Good	16	4.8m	Y
Greenhead Primary	38	56	18	Good	2	3.4m	Y
Haltwhistle Lower	196	200	4	Requires Improvement*	44	4m	Academy
Shaftoe Trust Primary	130	157	27	Inadequate*	24	3.8m	N
Henshaw Primary	55	105	50	Good	5	4m	N
Whitfield Primary	25	56	31	Inadequate*	5	5.3m	Academy
Allendale Primary	109	168	59	Good	16	5.3m	Y
Newbrough Primary	54	105	51	Good	12	3.8m	Y

*Note – these schools are now sponsored academies and therefore do not have a designated Ofsted grade until they are inspected in approximately 3 years time

Hexham Partnership - schools and academies data

School	Number on Roll	Capacity	Surplus Places	Ofsted Grade	2017 GP Data	Approx. Distance to Nearest School	Financial Deficit by 2021 (Y or N)
Queen Elizabeth High	1256	1407	151	Good	143	6m	Academy
Hexham Middle	477	651	174	Good	110	1.2m	Academy
St Joseph's RC Middle	326	336	10	Good	N/A	1.2m	Y
Corbridge Middle	351	360	9	Good	33	4m	Y
Whittonstall First	58	55	-	Good	0	5.7m	N
The Sele First	395	420	25	Outstanding	50	1m	Y
Slaley First	40	50	10	Good	4	3.5m	N
Hexham First	120	150	30	Good	27	1m	Y
Acomb First	59	75	16	Requires Improvement	9	1.9m	Y
Beaufront First	70	112	42	Outstanding	3	1.9m	Y
St Mary's RC First	107	150	43	Good	N/A	1m	Y
Corbridge CE First	128	150	22	Good	25	2.8m	Y
Chollerton First	39	50	11	Outstanding	6	3.6m	N
Whitley Chapel First	27	50	23	Good	4	4m	N
Humshaugh First	37	53	16	Good	11	3.5m	Y
Broomhaugh First	66	75	9	Outstanding	4	4.6m	Y