

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the **Cabinet** held at County Hall, Morpeth on Thursday 19 January 2017 at 3.00 pm.

PRESENT

Councillor J.G. Davey
(Leader of the Council, in the Chair)

CABINET MEMBERS

Arckless, G.R.
Dungworth, S.
Hepple, A.
Jackson, P.A.

Kelly, P.
Ledger, D.
Reid, J.

OTHER MEMBERS

Burt, E.
Dale, P.A.M.
Dickinson, S. (part)

Gallacher, B.
Homer, C.
Sambrook, A.G.

OFFICERS IN ATTENDANCE

Hadfield, K.

Henry, L.
Johnson, A.
Lally, D.
Mason, S

Committee Services and Scrutiny
Manager
Legal Services Manager
Director of Education and Skills
Deputy Chief Executive
Chief Executive

One member of the press was in attendance

62. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Tyler, Pidcock and Simpson.

63. DISCLOSURES OF INTEREST

Ch.'s Initials.....

Councillor Dungworth disclosed an interest in item 3 on the agenda (report of the Deputy Chief Executive), as chair of governors of the Seaton Valley Federation of schools.

64. REPORTS OF THE DEPUTY CHIEF EXECUTIVE

The report from the Family and Children's Services OSC on the following items was circulated at the meeting (copy attached to the signed minutes).

(1) Haydon Bridge and Hexham Partnerships

The report explained the Council's proposal to hold a consultation to improve educational outcomes in schools and academies in the Haydon Bridge and Hexham Partnerships. A recommendation was set out to permit consultation on a proposal in relation to the community and voluntary mainstream schools. Further consultation would also take place with academies in the partnership areas and Diocesan schools (copy attached to the signed minutes as Appendix A).

A letter from the DfE was circulated (copy attached to the signed minutes), which outlined the Government's position with regard to the future of Haydon Bridge High School (HBHS).

Councillor Arckless set out some of the background which had led to the current completely unacceptable position, which had dragged on for almost 2 years to the frustration of members and officers.. The report to members had been produced in light of significant professional concerns of officers to address the protracted inaction since the academisation process had begun, and in the best interests of the pupils concerned. The professional view had been to consult on a model which would offer a sustainable future for the school, including a possible merger with Queen Elizabeth High School (QEHS) and partnership work with other academies and schools across Hexham and Haltwhistle. However, this course of action had now been overtaken by Lord Nash's letter already circulated.

It was important for the Cabinet to note that the Local Authority and its officers did not have the power to move this issue forward - that lay with the Bright Tribe Academy Trust and the Regional Schools Commissioner (RSC) and he urged those bodies to take responsibility for making much needed progress in the best interests of the pupils. He did not understand why the Council's reasonable proposal for a democratic and open consultation had been rejected as the letter from Lord Nash did not provide any detail. He hoped there would be no further delays, and felt that the recommendation from Family and Children's Services OSC set out in their report would offer some flexibility to the Authority. He feared that there was an element of cherry picking from Bright Tribe, they clearly did not want to assume responsibility for the residential facility at Ridley Hall, whereas the Authority had a much wider

remit for children's education. The DfE and Bright Tribe failed to understand the needs of Northumberland.

The Deputy Chief Executive then highlighted some of the main issues. She confirmed that this had been a two year process since HBHS had been inspected and drew comparisons with Prudhoe High School which had been turned around within 18 months of its inspection to a good rating with local authority challenge and support and very significant capital investment.

The Authority could not take direct action of a similar nature at Haydon Bridge and this was very frustrating and unfair to the children and families of that school, but she urged the Bright Tribe Academy Trust and the RSC to take some prompt action, following a year of inactivity, to make urgent progress and to get the school into a viable position as soon as possible, and to facilitate some positive improvement. Immediate actions were needed around leadership, building investment, supporting teachers, transport and residential requirements, transition and the number of surplus places and addressing the very significant school budget deficit

She expressed disappointment with the letter from Lord Nash, which included some inaccuracies. The school, IEB and Authority had taken action itself in respect of making improvements at the school and to Ridley Hall, and significant progress had been made. Bright Tribe had provided a number of temporary consultants, who although welcome, should not be confused with the school staff who had made all the difference. The impression given to parents by Bright Tribe that they were in control of the school or had made any significant investment so far was inaccurate.

Councillor Gallacher presented the FACS OSC report referring to the commitment and passion of the officers and everyone involved in this issue. There had been disappointments expressed at Scrutiny about the situation, and the inaction of the Bright Tribe Trust and the Department for Education and he thanked officers for their work.

A number of points were made by members including:-

- Councillor Kelly commented that Bright Tribe did not have a strong record according to media reports from Cumbria, and he queried which other schools were in the cluster referred to. The Deputy Chief Executive responded that she could not give a clear answer to that. Despite efforts from the Authority, there was no definitive information coming directly or in writing from the RSC, so she was unable to confirm the schools involved. It was rumoured that Bright Tribe would be taking over the existing academies in Haltwhistle but as yet no legally binding agreement had been signed. Other schools had apparently been approached by Bright Tribe and the Department but as yet no other had been forced to join the MAT. Mr Johnson added that it was clearly the department of education's opinion and Lord Nash's opinion that Bright Tribe had a strong record. However due to the lack

of publically available evidence on this and the lack of any detailed response from the department it was not one he shared. In fact the anecdotal evidence pointed the other way, he hoped Bright Tribe's track record at Cumbria would not be repeated at HBHS.

- Councillor Kelly referred to the issue of viability adding that national statistics stated that high schools of less than 500 were not viable. He did not feel that the school had the necessary critical mass given that the 6th form had already merged with Samuel King's in Alston, and he therefore called into question the claim regarding its viability.
- The Chief Executive advised members that he and Mr Johnson had met with the RSC recently because of the lack of progress on the Bright Tribe issue and brought to their attention concerns about the viability of schools in the west of the County generally in light of pupil number projections going forward. This had led the Council to consideration about one school on a shared site as a potential solution which could be consulted upon. The current situation demonstrated the dangers of a fragmented education system and there could be a need in future to work with colleagues in all schools and academies and indeed across borders to Cumbria for a solution for the far west of the County. The solution being put forward by the RSC and Bright Tribe would build failure into the system, but the Authority had not been able to land its arguments with the RSC. Ridley Hall had now been put on the market by its owners. A new school build could have also provided solutions to this issue, but aspirations by Bright Tribe for a multi academy trust in the area seemed to dominate all other considerations
- Councillor Jackson found it difficult to reconcile the views of the local authority with the views being expressed by the local community who were keen to keep HBHS open. He also felt that the Authority was acting ultra vires as it was some time since the Academy Order had been issued and the Authority was no longer directly involved.
- The Deputy Chief Executive responded that the Authority had been required to provide a full range of support for the last two years, including safeguarding and school improvement, in the absence of any action from Bright Tribe or the RSC. She questioned who would have run the school had the Authority not done that. Mr Johnson added that, just because an Academy Order had been served, it did not mean that that the school then immediately became an academy. The school legally remained a local authority maintained school. All the good work that had taken place over the last two years had been co-ordinated by the authority and the current school leaders; without it the school would have been left to drift. The serving of the Order indicated that a process was about to start, which usually took around six months, and this was driven by the Academy Trust and the RSC. Only when the funding agreement was signed could the school legally become the responsibility of the trust. In this respect the situation at Haltwhistle seemed very unclear. Improvements which had taken place at the school in the past two years were due to LA support.

- In response to a query from the Leader, Mr Henry confirmed that acting ultra vires meant acting outwith your powers, which clearly the Authority was not.
- Councillor Jackson felt that the issues around Ridley Hall were at the heart of the delay and that public statements from the Authority regarding the future prospects of the school were seen to be damaging by the local community, who felt that standards were improving. 500 students was more than enough to make the school viable and extra students at QEHS was a difficult decision and not a good one for either Hexham or Haydon Bridge.
- Councillor Arkless agreed the situation could have been handled better but not by the Authority's officers, who had done everything possible to support the school. The community uncertainty and delays were clearly the result of inaction by the department for education and the Bright Tribe trust. He had been pleased to hear about the positive work of the staff team at the school and the work of the authority which was bringing about improvement and he had supported the report from officers on a proposal to consult in order to make much needed progress.
- The Leader commented that Lord Nash's letter had effectively prevented the development of a brand new school in Hexham for the populations of Haydon Bridge, Haltwhistle and Hexham.
- The Deputy Chief Executive reported that, specifically on the issue of Ridley Hall, when Bright Tribe realised that the Authority did not own Ridley Hall then their approach had changed and they had made it clear that they did not want to operate that part of the school. However, Ridley Hall was part of the entity of HBHS and they could not be allowed to select only the bits they wanted. It placed parents and children in a very difficult position. Regarding the school's viability, it was currently operating a £300,000 deficit and this needed to be addressed quickly. Parental choice for a number of years meant that around 150 pupils currently travelled out of the Haydon Bridge catchment to attend QEHS, and the issue of surplus places was clearly detailed in the report. Regarding concerns about the use of temporary classrooms, she pointed out that both schools were in need of significant repair and capital investment. For many children, the temporary accommodation would provide far better accommodation than was currently available in QEHS and HBHS.
- Councillor Dungworth rejected Councillor Jackson's comments as ideologically and politically motivated. The DfE and Bright Tribe had no interest in the pupils and their educational progress as evidenced by the lengthy delay. They were not looking for the right answers to the problem, only the answers they wanted, and any improvements to school performance had come about because of LA intervention. It was wrong to accuse the LA of any wrongdoing in this issue.
- Councillor Reid commented that this was an outrageous situation and had come about because the Government had turned education into a market place. Bright Tribe had not done what they were supposed to do

because they could not make any money out of it. The Government did not understand sparsity and the need for it to be accounted for.

- Councillor Kelly referred to previous events with the North Pennines Learning Partnership which covered three distinct areas. The Authority had been persuaded that the Partnership would improve education and partnership working but standards had only gotten worse, with a number of Ofsted inspection failures. Regarding viability, 500 pupils was quoted by Councillor Jackson but that was inaccurate, 500 might be viable but 321 wasn't, and that was the figure quoted in the report.
- Councillor Hepple agreed that the issue was about political ideology not the best interests of the pupils and queried the extent of the Minister's knowledge on this particular matter.
- Councillor Ledger commented that the issue had been around for a long time. He questioned why there had been no action from Bright Tribe or the RSC for so long. Surplus places was clearly a driver and the Council and the schools would lose funding if Bright Tribe took over. The Authority was treated unfairly by the Government in this respect.

In light of the letter received from Lord Nash and accepting the recommendations of the FACS OSC, the Leader suggested the following recommendation to replace all of the recommendations detailed in the report:-

"In light of the letter from Lord Nash, Parliamentary Under Secretary of State for the School System dated 10 January 2017 to Councillor Robert Arckless, Cabinet is asked to delegate responsibility to the Deputy Chief Executive, in consultation with the lead member for Children's Services, to take any necessary further action she considers necessary in respect of this matter".

On being put to the vote there voted **FOR: 8; AGAINST: 0; ABSTENTIONS: 0**

Councillor Reid asked that local members be kept informed of actions taken and the Deputy Chief Executive confirmed this would be done.

It was therefore **RESOLVED** that in light of the letter from Lord Nash, Parliamentary Under Secretary of State for the School System dated 10 January 2017 to Councillor Robert Arckless, responsibility be delegated to the Deputy Chief Executive, in consultation with the lead member for Children's Services, to take any necessary further action she considers necessary in respect of this matter.

(2) Impact of the Proposed National Funding Formula on School Budgets

The report informed members that the second stage of the consultation on the new National Funding Formula (NFF) for schools had been launched on 14 December 2016 and would close on 22 March 2017.

The consultation was seeking views on the design of the new NFF for schools and for the newly introduced central services block for local authorities (LA) which would eventually replace the Educational Services Grant (ESG). This consultation built on the first stage of the consultation launched in March 2016. There is a separate second stage consultation seeking views on proposals for a NFF for the High Needs block which funds provision for children with special educational needs. A further paper would be presented to Cabinet to outline the High Needs funding situation after the next meeting of the schools forum as the spend on the High Needs Block for this academic year had exceeded the income received. Plans had been put to the schools forum to recoup this over-spend in 2017/18.

The report compared the current system of locally determined school budgets with the proposals for the new NFF. It identified the schools that would be significant 'winners or losers' under the new NFF proposals compared to the budget shares schools received in 2016/17 (copy attached to the signed minutes as Appendix B).

Councillor Arckless referred to the good debate which had been held at FACS OSC on this matter and which was reflected in the report. He did feel that this was genuine consultation from the Government and noted that it would also affect Conservative councils. He had a number of concerns around the lack of flexibility in the new funding formula to support smaller schools and around sparsity and deprivation issues. He also hoped that the Schools Forum would be able to continue.

Councillor Dungworth supported the intentions behind the proposals to move funding to areas of higher deprivation but she did not feel that they sat well with the model of education in Northumberland and the number of small schools. She also queried why, in her area, Seaton Sluice Middle School was a loser whilst Whytrig Middle School was a gainer in terms of funding. Mr Johnson provided a detailed response on the principles of the proposed funding formula, adding that in the case in question, it would be based on the characteristics of the current children.

Councillor Dungworth suggested that the Authority should argue that sparsity should be considered in the same way as cost of living. It was clear that there was no new money; it was merely money being moved around.

Councillor Jackson commented on the degree of agreement between parties on this issue and the lack of recognition by all governments on the sparsity issue. This was a united response from the Authority and that should be made clear. Overall, Northumberland would have more gainers than losers and he commented that the figures for each school had not been provided in the context of their overall budgets. He recommended that members look at the full information.

In response to a query from the Leader, Mr Johnson confirmed that the funding formula was in respect of the schools block of the dedicated schools

grant only. The education support grant would be removed completely and encompassed within the DSG but would be far less in real terms. This meant a significant cut in funding of around 80% to manage schools. According to CIPFA, by 2020, 98% of schools in England would have less funding than they did now.

Councillor Arckless commented that, without funding for the much needed support to schools currently provided by officers, it was unclear how this could be sustained.

The Leader commented that academy sponsors had to make a profit and only education could be cut to make that profit. That was what was fundamentally wrong with the academy system.

On the recommendations being put to the vote there voted **FOR: 8;**
AGAINST: 0; ABSTENTIONS: 0

RESOLVED that:-

- (a) the information contained within the report be noted and authority be delegated to the Director of Children's Services to reply to the second stage consultations to the Director of Children's Services;
- (b) it be noted that a further paper will be presented to Cabinet outlining the impact of the proposed national funding formula on high needs learners and the plans to address the overspend in the 2016/17 high needs block; and
- (c) the report of the Family and Children's Services OSC be noted.

(3) Annual Report of the Director of Education and Skills 2015-16

Cabinet was asked to consider the annual report of the Director of Education and Skills (copy attached to the signed minutes).

Councillor Arckless commended the report and the comments from FACS OSC, who had welcomed the report.

The report provided a very honest appraisal of the current situation and highlighted the vast amount of work undertaken by Mr Johnson and his team, and he expressed his personal thanks to them. He also referred to the example of Prudhoe High School and what could be achieved when officers from the Local Authority worked with a school in difficulties.

RESOLVED that:-

- (a) the report and its content be received; and

(b) the report of the FACS OSC be noted.

CHAIR.....

DATE.....