

National Association for Small Schools

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Doug represents our interests faithfully but we need to make clear we are not raising the issue of the educational merits or otherwise of small schools except in the sense any funding discussions inevitably reflect general levels of existing provision. We have considerable evidence that might interest detached observers but we share with you only financial aspects. Our problem is that whenever you and others responsible for discussion, influence, maybe decisions about educational expenditure do your important work it is natural your thinking and the collective debate is influenced by your direct experience and/or in some cases information obtained from others. When the debate about *choice or necessity* inevitably arises it can reflect principles and resulting criteria for provision flowing from meetings at which small schools have been significantly under-represented, if present at all.

Our experience tells us that when small schools are discussed in financial terms there tends to be a somewhat stereotypical, rather superficial level of analysis of the economics of small scale almost always starting and ending withtoo expensive! Your references to the distinction between small schools existing by *choice* as opposed to *necessity* imply a view (not necessarily held by yourselves) that *choice* is not acceptable. We offer perspectives that better balance the financial factors involved and enable fuller views of the educational issues.

When you discuss sparsity, rightly identified as a matter relating to small schools, our informed and sophisticated economic perspectives can perhaps influence your decisions. Were the research more widely appreciated showing that as schools become larger the gap between rich and poor widens, a finding from the US reported by Professor Iain Hall to the National Education Trust last year and confirmed in subsequent evidence from Australia, discussion and decisions about sparsity become indeed intriguing. Were the Scottish Executive's August 2006 facts about performance better known, showing that children in their smallest schools had a 25% higher chance of reaching higher education and those in such schools from impoverished backgrounds actually made progress, the remote highland and island communities involved may lend weight to discussions about how we in England treat sparsity and, perhaps as significantly, poverty.

Our concern is that sparsity, like the broader issue of small school economics, suffers by not being recognised in its entire significance, remaining too administrative, formula-driven and bureaucratic in character. How else could Northumberland's Chief Inspector tell NASS a few years ago their LEA received less for sparsity than Birmingham. I know from my Oxfordshire days Tim Brighouse was very creative in managing and obtaining money but..... How can very rural LEAs like Cornwall, Herefordshire and Lincolnshire continue to be so low in overall grant allocation tables if sparsity is adequately recognised? Matthew Taylor MP in four successive Small School seminars at the House of Commons has consistently complained at the levels of grant allocated in his county, Cornwall.

The research evidence suggests rather strongly that sparsity, as in smaller schools, significantly benefits children, not least those from disadvantaged backgrounds. LEA officers often ask small schools to take "difficult" children from elsewhere. NASS now argues for small schools in the city even though the profit ultimately returned to the Exchequer may be via budgets other than education. Small-scale and school size are becoming political issues. Gwynedd Council was voted out and other Welsh Councils suffered for efforts to close small schools. Barrow's Mayor was voted out by a local community group campaign to keep three moderately performing small secondary schools rather than have a smart new city academy. Parents in Elgin two years ago achieved the same U-turn from Morayshire Council.

The Tory policy booklet likely to shape their election manifesto includes a clear commitment to smaller secondary schools. Human Scale Education has over £3m from major foundations, Gulbenkian, Esmee Fairbairn and Paul Hamlyn, to help big secondaries function at smaller scale. James Wetz' Channel 4 "Dispatches" concept of urban villages wants small local neighbourhood secondary units working under unitary management. You and I know that any problems showing in later stages invariably start far earlier in home and school experience and NASS has argued for urban village federations for over five years. Schools serving streets rather than entire estates.....first argued by that visionary College Principal, Len Marsh, in 1972 as a Goldsmith's lecturer, in a front page article in "*The Teacher*"

The necessity factor is clearly tolerated but the debate about choice and school size is sharpening. It may be that those who negotiate with government have new arguments to deploy with new political force behind them. *"Buildings for the Future"* may be a good fund but what kind of buildings? Smaller perhaps? All parties profess ever more concern for children in poverty. There is a whole new ball game emerging against which the conventional stereotypes of the past have little meaning. Can anyone be sure of what education will be like in the nano-technology, super-computer age to hit current Foundation Stage children in their early middle age? Should we be building giant new structures when adaptability and flexibility and the home influence factor seem far more necessary attributes of future provision?

To return to sparsity.....how it is defined is highly relevant. The balance between younger and older generations in rural areas may now be skewed in ways that impair accurate definition when thinking about education. US evidence argues that there are long-term profits to be made from spending that puts parents and teachers on the same wavelengths, shared values, standards and effort, something small schools happen to do very well. OFSTED has produced many glowing reports of many schools and small schools are well-represented in their database. Most happen to be judged *"value for money"*, good or better. That value rounds up both academic and personal/social development reflected in positive attitudes and good behaviour, parental and community relationships, staff teamwork and leaders whose teaching commitments are seen to have significant monitoring impact.

However, the profits reduce police, social service and NHS costs, also related departmental costs, more than education and so are rarely recognised even though those costs often flow from educational and family failure. Good *"value for money"* judgements ought surely to inform discussion about funding policy and principle. DEFRA's 2003 Select Committee rural education report asked for more joined-up departmental thinking, local and national. All we ask is that discussion of matters of provision, structure and principle are informed by a more balanced picture of the realities and of course you may all already be well aware of the sort of small school financial facts herein described.

The stereotypical view starts and ends with the often glaring disparity between a small school's unit costs and the average. In 2003 the DfES calculated the average costs of schools below 100 on roll at £2600 and the average of those with more than 300 at £2000. When like is compared with like the differences are not so great. NASS has a study showing that the percentage of primary teachers (the single most expensive element in the budget by far) working in two and three teacher schools in 17 rural counties ranged from 2% in Leicestershire to 8% in Cumbria. The DCSF has just told us that in 2008 no more than 5.4% of the total primary teaching force work in schools of 100 or less, OFSTED's and our definition of small. Despite those glaring unit cost differences there is no massive pot of jam draining from the rest of the system and still less from the urban poor as has so often been claimed.

NASS knows no studies showing alleged savings from closure ever materialise long-term. We have studies showing that over time transport costs significantly erode any savings alleged and that was before the now dramatically escalating cost of diesel fuel. 2007 Scottish Government and LEA data shows that, taking a random selection of small schools, the average cost of heating, lighting, cleaning and maintenance is between £15 000 and £25 000 where commercially obtained costs for bussing the children elsewhere start at £35 000. It is now likely it costs less to keep a school open. 2007 studies show that the quality of school buildings, unless particularly shabby, over-crowded or poorly ventilated, have little impact on performance and that older Victorian and Edwardian solid school buildings have a far better carbon footprint than many modern buildings a lot of funding provision has to resolve.

Moreover the stereotypical view insists rural areas are havens of privilege. That may be so in shires adjacent to major metropolitan areas but across rural Britain as a whole is far from true. The 2008 State of the Countryside Report not only confirms the pre-eminence in test results of schools under 100 on roll, and of rural performance in general at secondary school, but states that the patterns involved do not well relate to income distribution. There is significant rural poverty that is not well met in terms of educational funding. When the data argues small schools best assist children in poverty the *necessity* factor opens up beyond mere isolation.

We try to raise public and professional awareness of such hard evidence as an argument justifying small schools in society. We offer you the financial factors, notwithstanding the several purely educational ones we could also present. The debate about *necessity* or not is well reflected in the major rationalisation/reorganisation documents we see but the supporting arguments rarely go beyond the unit cost assumptions and the promise of better things for the rest of the system and children in poverty from closing down the fragment of the total education budget that 5.4% represents. The *Value for Money* OFSTED judgement is heavily compromised when, as in two LEAs this year, the rationalisations propose closing down the schools getting their best results, well meeting standards the nation wants, namely small primaries and first schools, allegedly to improve their worst results, in secondary, middle and upper schools.

Ring-fencing

With respect there may be another relevant small school matter. Small school staffing formulas currently benefit from ring-fenced lump sum provision but we hear of a wish in many LEAs and among some professional groups for funding to be entirely per capita.....in effect the death of small schools at any time when overall spending is squeezed. For small schools virtually to disappear as a result of funding policy decisions seems a rather more critical outcome than the effects on other sectors and something where value judgements about educational worth assume significance. Within current DSG consultations we are aware of interest among some LEAs in removing ring-fencing, full stop. Our 30 years experience reminds us that ring-fencing came in to ensure money given against calculated educational need was actually spent on education. We are aware some LEAs see small school funding as a hindrance to efficient management of their resources. We just ask that any such thoughts be as informed as possible by hard evidence. Welsh Conservatives have this week issued a statement complaining at the systematic top-slicing of education budgets in the Principality leaving all schools significantly under-funded compared to England. It would not just be small schools enduring hardship from the end of ring-fencing.

Those big rationalisation programmes proposing closures sometimes claim to soften the argument by pushing federations under single governing bodies and leadership. One LEA has virtually forced its smaller schools to so federate. In Dorset and Warwickshire we know examples of pioneer federation ending with governors closing down sites under their existing powers. They are not closing a school as such and so the tough statutory guidance LEAs face does not apply. Parents and staff of an early Carmarthenshire federation now complain their governors wish to close two of the three schools. The pressure is invariably financial. *Federation within such patterns could be a very efficient long-term closure programme, almost by stealth, using finance as the whip.* NASS is therefore very interested in notions of funding adequacy that do not assume small schools are a luxury.

Recruitment problems are another element in the mythology of present debate. It is far from a small school problem. A 700-pupil primary headship last term attracted one application and the additional two applications from re-advertising were not especially literate. 2008 Scottish data comparing small school headteacher attitudes with a similar study ten years earlier found the job still deemed professionally attractive but most affected by the constant climate of uncertainty. NASS evidence supports this as the dominant deterrent factor. It affects parents too. Closure proposals can bring an exodus yet when a school is "saved" roll can double in six months, reducing those awesome unit costs of course.

Federation, recruitment, unit costs, all form a stereotypical view that needs enriching through more informed, evidence-based facts. The dismantling of similar tired old shibboleths about small peer groups, mixed ability and age, small numbers of teachers and often old, limited facilities must wait for another day. Yet each can be dismantled by the hard facts of small school success. The debate about funding is a debate about provision and we believe that debate is now changing dramatically and that those changes are relevant to your important deliberations.

The choice factor is rising to the top in many ways however we may individually or collectively regard it. It is a duty of Local Authorities to provide *diversity and choice and a system shaped by parents.* Those are words from statutory documents. Government should be expected to fund the provision of just such choice and diversity. It is certainly not achieved by removing one of the more popular choices and a very wholesome form of demonstrably effective education. We believe a powerful case exists for arguing the need for adequacy and sufficiency of funding to enable such provision. OFSTED judged that "*notwithstanding their higher unit costs there is a place for small schools in national provision as a whole.*" We do not accept that the only grounds for small schools financially are geographical isolation. We would be delighted of course to meet you but failing that perhaps this paper may prove helpful in your deliberations.

Yours sincerely

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