

County Councillor Heather Garnett
Chair
The Overview and Scrutiny Committee for Children and Young People
North Yorkshire County Council
Northallerton

3rd May 2007

Dear Heather

re: EXECUTIVE REPORT

I shall be coming, as requested, to the meeting of your O & S Committee on Tuesday 15th May. You have asked me to let you have beforehand a note of issues of current concern. That is the purpose of this letter.

I have deliberately kept this letter personal and informal. It is not an “official” response in any way and it does not represent settled Council policy. It is simply a note of those matters that are occupying my mind at the moment.

1 Falling rolls, head teacher recruitment and the need for confederation

Each year 7,000 children leave our schools and only 6,000 start. In primary schools alone the fall in the pupil population was 1,114 between 2006 and 2007. We therefore have an increasing degree of “spare capacity” in our schools. 51% of our schools now have fewer than 100 on the roll.

A related problem is that of headship and recruitment. Nationally, half of all headteachers are over 50. Here in North Yorkshire the figure is almost 60%. Recruitment is becoming very difficult; in the last few years around 50 vacant headships have had to be re-advertised – sometimes as many as three or four times.

The oft-quoted solution to these problems (“shut those tiny village schools”) is not likely to be effective. Quite apart from the wider social contribution that a school makes to a village environment, such schools are frequently quite remote – therefore the increase in transport costs and transport times removes much of the benefit that could be obtained from closure.

The best answer would be the promotion of more confederated schools – arrangements under which one head could handle two schools and could give scope for other savings also. However, we started working towards confederation in 2005 and since then only three formal confederation agreements have been put in place. We have currently been reviewing their progress and the emerging picture is rather mixed. Educationally, the schools are now offering a better service but there has been no financial gain in any confederation so far.

2 Impact of job evaluation on North Yorkshire Caterers

On the face of things, North Yorkshire Caterers (our school meals service) has just had a very good year. Primary school take-up of school meals has increased from 39% to almost 43%, in spite of an inflation-busting increase from £1.54 to £1.62. The increase in take-up has been more than sufficient to make up for the fall in pupil numbers. After several years of losses, the service has recently been returning relatively stable (though small) surplus figures.

However, job evaluation has big implications for North Yorkshire Caterers. Our total annual sales are £12 million. The increase in wages for catering staff will add £1.3 million to our pay bill for 2007/08. Cooks in our largest kitchens have risen from £6.41 per hour to £10.48 per hour – an increase of 63%.

At the moment it is impossible to see how this increase could be absorbed whilst still maintaining a break-even financial performance. It also means that the increase in school meal prices this autumn will need to be substantial – an issue I should be happy to discuss with your committee.

3 ICT in schools

We moved to a new Internet Service Provider in January. We anticipated problems with the switchover. I must report that the problems we encountered were greater and took longer to solve than we had anticipated. Why? Essentially because a number of schools had developed sub-systems of their own and these caused a degree of overloading when plugged in to the new ISP. The ICT service is performing much better and we continue to work hard with the service provider and schools to stabilise delivery.

In a separate and unrelated incident, Bedale and Richmond Schools both encountered “slow running” problems in March and April. These problems proved to be very intractable and took five weeks to solve.

On the wider front, we do have a continuing issue with our policy of “spreading” broadband costs over all our schools. We have provided 2mb of capacity to primary schools and 8mb of capacity to secondary schools. But it costs almost ten times as much to provide the service to the small primary in Arkengarthdale than it does to a large secondary school in an urban area. This difference in costing is not reflected in our charging policy, however. In consequence, some secondary schools in the County, especially in the Harrogate area, could get its broadband cheaper than it is currently being provided through our ICT service. If a school “opts out” of our service then the costs for everyone else go up – and the school itself no longer has access to the National Schools Network. Nonetheless, schools are still choosing to opt out (two in the past year) and we have so far lost about 25% of our secondary schools.

I am hoping that the current MLL platform can be replaced by our own new NYNet system within the next twelve months. The improvements available from that change should be sufficient to stop any further schools moving away.

4 Outdoor education

Our Outdoor Education service has an income from external sources (mainly parents) of £1.7 million a year. But it costs £2.7 million a year to run. Given the overall pressure on County Council resources, the current Medium Term Financial Strategy requires the service to save £150K.

This is a challenge because it is hard to see how the costs could be reduced so long as we offer free places to FSM (free school meals) children and to teachers. Also, our outdoor education really is “education”, provided by qualified teachers, for which we cannot charge.

There is something unique about our Outdoor Education service. We are currently able to say that every child in North Yorkshire education can expect at least one week of outdoor education during that child’s school career. No other education authority anywhere in England is able to make that claim.

We are currently looking at options to reach the savings target. The Committee had a presentation on the issues at their last meeting.

5 Energy costs in schools

The prices paid by our schools for their energy bills are negotiated centrally on our behalf by a company called NPG.

For the two years to September 2006 the price was £28.57 per Kw. The contract from October 2006 to September 2007 is costing £51.65 per Kw. This increase of 81% came as a huge blow to most of our schools and played havoc with their budgeting. Understandably, several were very cross about it.

For the year to September 2008 the price will be £31.80 and for the subsequent twelve months it will be £34.10. Although these figures represent a return to more “normal” levels, I am nonetheless concerned that these huge variations in costs make the task of financial management in our schools themselves very difficult indeed.

Yours sincerely

John Watson
Executive Member with responsibility for schools