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# **KITE ACADEMY TRUST**

**BUSINESS CASE FOR THE REDUCTION OF PAN AT CROSS  
FARM INFANT ACADEMY**



# Contents

<b>Headteacher Report</b> .....	1
<b>Director of Finance Report</b> .....	2
<b>Chief Executive Officer Report</b> .....	3
<b>Consultation with Stakeholders &amp; Community</b> .....	4
<b>Supporting Statement - Surrey County Council</b> .....	6
<b>Trust Board Determination</b> .....	9



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# PROPOSAL TO REDUCE PAN AT CROSS FARM INFANT ACADEMY FROM 60 TO 30 AS AN IN-YEAR VARIATION, WITH EFFECT FROM SEPTEMBER 2023

## Headteacher Report

There has been a significant change which prompts our proposal for a reduction in PAN to 30 from September 2023. The birth rate has dropped across the Surrey Heath area and Surrey County Council have consulted with the leaders in the area to see if they will be able to come up with a solution to half empty classes in the primary classes across the area. This change means that Surrey County Council fully support our application for this reduction in PAN.

### Context

Before 2016, Cross Farm Infant Academy had a Published Admissions Number of 50 and operated mixed-age classes for all year groups, due to fluctuating numbers. This made it very difficult to plan ahead and deploy staff effectively. Our school was expanded to a 2- form entry infant school with a Published Admissions Number of 60 in 2018. At this time, the school was expanded to meet a growing demand in the area, with the added benefit of equalising a historical PAN which was causing the school challenges in making effective use of resources. This was agreed by Surrey County Council because the projected numbers in the area were higher but in fact the school never fulfilled this.

More recently, Surrey has been dealing with a declining birth rate and our numbers have fallen accordingly over time. Fewer children in our school has had an impact on our budget, which has continued to be mitigated by the ongoing flexibility of the school staff and academy reserves. Income generation has been a key focus for the school and lettings have significantly increased over the past year. However, with a continuing trend of lower birth rates in Surrey Heath and limited housing development, it is clear that there is less demand for school places in Surrey Heath and Surrey County Council can now support our application to reduce our annual intake to 30. The birth rate in Surrey Heath has been in decline, which has impacted upon the number of pupils needing a school place for Reception each year for all schools in Surrey Heath.

This has an impact on Cross Farm Infant Academy with our numbers fallen accordingly, as you can see in this table which shows NOR over the last 5 years:

2017	2018	2019	2020	2021
161	168	171	148	136

### Implications for Staffing and Budget

We will not be able to give parents a concrete offer of one or two classes per year group each year as it is always dependent on how many people apply and then subsequently offered a place. Marketing this is a real challenge. In practice, those who accept their place at Cross Farm have placed us at 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> preference. They then often move to a school higher on their preference list if a place becomes available at their preferred school. This has huge implications for our school budget; children normally move before school census but the staffing structure and class structure have already been put in place for the year. This uncertainty impacts hugely on staff deployment and we have to be reactive to numbers. We are currently considering the needs of the children and the school for next academic year. We may well need to reorganise the class structure, depending on final numbers applying for a Reception place. Currently there are 21 first preferences for Cross Farm.

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## Director of Finance Report

Cross Farm have experienced a sustained drop in pupil admissions, which is having an impact on staffing costs as the number of pupils and related GAG funding is not sufficient to maintain the level of staffing required for a two-form entry academy. Following substantial budget modelling and engagement with the Local Authority for analysis of birth rates and school place planning, it was agreed that the academy should seek to reduce their Pupil Admission Number (PAN) to 30 per year (from 60). Surrey County Council have supported this view (report included on pages 9-11) and with first choice preferences of 21 pupils on school place offer day, we are reviewing staffing needs for Cross Farm.

The tables below demonstrate the effect of maintaining a PAN of 60 but without sufficient pupils to fill the spaces and the effect of reducing the PAN to 30. It should be noted that Kite have a policy of GAG pooling with breakeven budgets set for all academies. In order to effectively demonstrate the impact for Cross Farm of reducing the PAN the pooling element has been removed with central costs allocated to Cross Farm on a per pupil basis.

The table shows the impact of a 40 pupil intake per year to the academy's finances. However, an intake of 40 is still ambitious given the statistics provided by the Local Authority.

Cross Farm	2021-22	2022-23	2023-24	2024-25	2025-26
In Year Surplus /Deficit)	(24,888)	15,073	(5,097)	(38,998)	(30,463)
Surplus / (Deficit) Brought Fwd.		(24,888)	(9,815)	(14,912)	(53,910)
Cumulative Surplus / (Deficit)	(24,888)	(9,815)	(14,912)	(53,910)	(84,373)

Following the efficiency review, the next step for the academy to become sustainable would be a move to a PAN of 30. The financial impact of this decision is detailed below:

Cross Farm	2021-22	2022-23	2023-24	2024-25	2025-26
In Year Surplus / (Deficit)	(24,888)	60,036	52,310	40,113	16,748
Surplus / (Deficit) Brought Fwd.		(24,888)	34,874	87,184	127,297
Cumulative Surplus / (Deficit)	(24,888)	34,874	87,184	127,297	144,045

As we can see, the financial situation changes significantly with a reduced PAN of 30 which will allow Cross Farm to be a viable provider of infant education for the local community in the future. Therefore, I would support the reduction of their PAN to 30.

### Paula Brooks

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## Chief Executive Officer Report

Cross Farm Infant Academy, supported by The Kite Academy Trust (KAT), has taken every possible step to help make the school a viable proposition to continue as it is. Evidence is clear that there are not sufficient places needed within the local area. Surrey County Council called a meeting of local leaders and asked us to consider how we could support all schools in the area by removing excess places in Year R. Rather than all local schools struggling to fill classes, Cross Farm Infant Academy took the selfless decision to reduce its PAN which would help all the local schools in not chasing the same elusive EYFS places. Surrey has supported this proposal as it is in everyone's interest for schools to be full based on PAN and to afford staffing structures to meet their PAN.

The growth of KAT as a multi-academy trust is currently being compromised as its central funding is carrying a school whose current PAN does not make it a viable concern. The KAT has made some investment in marketing Cross Farm Infant Academy and in its school site to encourage prospective parents, however it is clear that pupil numbers are not there and without some action, all local schools face the same financial burden of running classes under PAN.

With school budgets becoming ever tighter the financial impact of unfilled class spaces is significant. School improvement relies on investment in resources, training and stability which Cross Farm are finding it hard to afford. The KAT reserves have been used to support Cross Farm, but this naturally impacts the support that can be given to our other 8 schools, which could be disastrous.

Cross Farm finds itself in this situation, through no fault of its own. The numbers of children requiring a place for Reception have declined and are predicted to continue declining over the next 5 years. We have provided a solution which not only solves the problem at Cross Farm, but it also helps local schools to be full. It is clear that making this decision now will help to ensure Cross Farm is sustainable in the future and to continue to be a high performing infant school with one form entry. It will enable the wider multi-academy trust to be able to invest in school improvement and maintain a motivated staff team giving certainty.

### Christine Dickinson

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# Consultation with Stakeholders & Community

## Introduction

The Trust held a consultation with stakeholders and the local community which ran between Monday 15<sup>th</sup> November and Monday 27<sup>th</sup> December 2021. Details of the consultation process along with the responses/questions submitted can be found below. The Trust's responses to the points raised in the responses received have been published on the academy and Trust websites and shared with parents.

## Process

- Consultation document drafted and distributed to all stakeholders
- Distributed to all local pre-school settings
- Distributed to all local schools including the two junior schools (Frimley CofE and Ravenscote) that the children attend after Cross Farm, who shared it with parents/carers
- Available via the academy website
- Available on the Trust website
- Shared on all academy Facebook pages

## Responses

4 responses were submitted and received within the consultation period: **3 disagreed** and **1 agreed** with the proposal. The concerns that were expressed were:

### 1. The reduction in PAN would mean that there would be less choice for prospective parents

The issue at the moment is that there is too much choice and many schools in the area are under capacity. In the surrounding area there are at least 6 schools, all with Good+ ratings from Ofsted, with Reception intake depending on where the family live (Lakeside, The Grove, Sandringham, Cross Farm, Heather Ridge, Mytchett). In 2022/23 the Frimley Green, Mytchett, Deepcut, Frimley and Heatherside areas are predicted to have 72 surplus places and this increases to 76 by 2025/26. Over the whole Surrey Heath area, the surplus places are 149 in 2022/23 and 173 in 2025/26.

If there are more places needed in the future, the academy would look to increase PAN again.

### 2. Children moving from a 1 form entry infant to a 3 form entry (Frimley CofE) or 5 form entry (Ravenscote) junior school would find the transition hard

The schools always put plans in place to make transition easy. There are also the opportunities for children to move to 2 form entry junior classes (Lakeside, The Grove) or 1 form entry (Mytchett).

### 3. Forest School Provision

This would still be provided at Cross Farm and is also available at Sandringham, Lakeside and The Grove.

### 4. Limited Year 3 choice for parents

At Year 3, the vast majority of children at Cross Farm go to Frimley CofE or Ravenscote junior schools. Surrey place planning have considered the numbers of places that will be required in Year 3 and, even though there is some indicative cumulative growth over the planning period, pupil numbers still indicate that the demand going forward from Reception entry 2023 will remain within the total number of places available of 1,020 per year, including the removal of 30 places at Cross Farm.

### 5. Parents would like small classes

The problem with this is that government funding for schools is based on the expectation that there will be 30 children in each class. Legislation on infant class sizes requires schools to only have 30 children in each class meaning that, even with the addition of 1 extra child, an additional teacher must be employed. Smaller classes mean that resourcing becomes extremely tight and the school is not financially viable, which ultimately leads to closure.

## **6. There is a proposal for extra housing in the area**

The Water's Edge development expects that the children from this development will go to Holly Lodge, as it's nearest school, and we are currently making decisions that will ensure that these children get a place at their most local school.

If there is demand for a lot of extra places in the future, the academy would look to increase PAN again.

We also received a copy of a letter which was also distributed to the parents of children at Frimley CofE from Simon Jarvis, CEO of the Prospect Trust. We would like to address the points outlined in this letter:

### **Serving the Local Community**

Over the last two years, the number of families who selected Cross Farm as their first choice for Reception class were not sufficient for a PAN of 60. For September 2020, 26 first choice applications were received. For September 2021, 33 first choice applications were received.

We note that the letter states, in the current Year 1 class, 22 children would not have been able to attend Cross Farm with a PAN of 30. In fact, only 26 of the applications received for that year group had chosen Cross Farm as their first preference.

This academic year, 3 first preferences would not have gained entry with a PAN of 30.

We are aware that the birth rate has dropped even further for next year and, to date, only 21 first choice applications have been made for September 2022.

If there are more places needed in the future, the academy would look to increase PAN again.

### **Environmental and Health Concerns**

The letter states that children would not be able to walk to school and that this would have a negative impact on the environment. In a recent survey of the children at the school, 64% travel by car and 36% walk. Criterion 5 of the oversubscription criteria within the Admissions Arrangements for Cross Farm gives priority based on closest proximity of the child's home address to the academy, meaning those who live nearest to the academy will be offered a place. It could therefore be anticipated that these children will walk to school. In addition, as is the case with Frimley CofE, two schools with infant provision (Sandringham and Mytchett) are both easily accessible within walking distance of Cross Farm.

### **Provision for Siblings**

The Admissions Arrangements for Cross Farm gives priority for siblings as part of the oversubscription criteria as below:

1. Looked after and previously looked after children (see Note 1)
2. Exceptional social/medical need (see Note 2)
3. Children of staff at the academy (see Note 3)
4. Siblings (see Note 4)
5. Any other children (with priority being based on the straight line distance from the child's home address to the academy - see Note 7)

Note 4 explains that the sibling criteria is for those children who have a sibling attending Cross Farm. This is also extended to children with a sibling who has left Cross Farm up to 2 years previously.

We do not consider it likely that applications would be received for 30 children who be given priority according to the first 3 criteria (*Looked after and previously looked after children; Children with exceptional social or medical needs; Children of staff at the academy*), therefore there will be sufficient provision for siblings. This provision also allows for families with children in Year 3 and Year 4 and Frimley C of E to be allocated a place in accordance with the sibling criterion.

**Introduction**

The local authority (LA) has a statutory duty to provide a sufficient number of school places to meet demand. Effective pupil place planning is an essential process that enables the LA to work with schools and stakeholders to commission and create high quality school places. These fulfil the requirement to meet the basic need for school places and provide the right level of choice for parents. We undertake a robust and comprehensive approach to pupil place planning that forecasts the numbers of children requiring school places using a trend-based model combining demographics with pupil level information.

**Proposal**

Kite Academy Trust is proposing to reduce the PAN of Cross Farm Infant School from 60 to 30 places from September 2023.

**Context**

Cross Farm Infant School is a two-form entry infant school, having increased their PAN from 50 in 2018. This small increase had the benefit of equalising a historical PAN which was causing the school organisational challenges in making effective use of resources.

Over the last five years, Surrey has been dealing with a declining birth rate and the forecast for pupils has reduced accordingly. Any additional pupils are as a result of yield from new housing coming forward rather than by underlying demographic demand.

In Surrey, the birth rate reached a low in 2002 before seeing significant increases to reach a peak in 2012 across most areas. **Table 1** shows births in Surrey Heath peaked earlier than the county trend, in 2008, before falling. The birth rate in the borough has now progressively dropped each year since 2015, despite seeing a small increase in 2019. Since the borough peak in 2008, births have dropped by 22.5%.

**Table 1 – Birth Rates in Surrey Heath**

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
No. of births	974	1012	1029	988	959	974	940	945	932	972	884	865	792	837	798

**Table 2** shows the predicted number of births in Surrey Heath, based on demographic data from the Office for National Statistics (ONS) and considering estimated population projections and migration factors. This illustrates that the birth rate is expected decrease before largely plateauing from 2022-23 onwards.

**Table 2 – Predicted Births in Surrey Heath**

Birth year (academic)	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Predicted no. of births	859	844	830	830	829	825
Starts Reception in (Sept)	2025	2026	2027	2028	2029	2030

**Pupil Place Forecasts**

The local authority combines birth data with pupil movement trends and housing data to produce a forecast of pupil numbers. Forecasts are at both planning area (groups of schools based on proximity and pupil movement trends) and at borough level to ensure there are sufficient places where they are required.

**Table 3** shows Reception year pupil forecasts for ‘Frimley Green, Mytchett and Deepcut’, in which Cross Farm is located, and **Table 4** shows ‘Frimley and Heatherside’ forecasts. Forecasts for the borough of Surrey Heath as a whole are in **Table 5**. The two planning areas are adjacent to one another and pupils can travel easily between the two.



**Table 3**

Frimley Green, Mytchett and Deepcut			
School year	No. of Year R pupils	PAN for planning area	Surplus no. of places
2022-23	128	150	22
2023-24	128	150	22
2024-25	124	150	26
2025-26	122	150	28
2026-27	120	150	30
2027-28	119	150	31
2028-29	118	150	32
2029-30	118	150	32
2030-31	117	150	33

**Table 4**

Frimley and Heatherside			
School year	No. of Year R pupils	PAN for planning area	Surplus no. of places
2022-23	251	300	49
2023-24	263	300	37
2024-25	256	300	44
2025-26	251	300	49
2026-27	246	300	54
2027-28	244	300	56
2028-29	244	300	56
2029-30	243	300	57
2030-31	242	300	58

**Table 5**

Surrey Heath			
School year	No. of Year R pupils	PAN for borough	Surplus no. of places
2022-23	901	1,050	149
2023-24	922	1,050	128
2024-25	893	1,050	157
2025-26	877	1,050	173
2026-27	861	1,050	189
2027-28	855	1,050	195
2028-29	852	1,050	198
2029-30	851	1,050	199
2030-31	848	1,050	202

The data demonstrates there is to be a predicted surplus of places in the two planning areas and across the entire borough. Please note that, for the purposes of these forecasts, the PAN for Cross Farm is still assumed to be at 60.

Cross Farm Infant School does not formally feed into any junior school, but the majority of pupils tend to move on to Frimley CofE Junior School, located a short 0.4 miles away. The junior school currently has a PAN of 90 and also takes pupils from Sandringham Infant School (PAN 60).

**Table 6** shows the total pupil place forecasts for the borough of Surrey Heath from Years R to Year 6:

Surrey Heath							
Academic Year	Year R	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
2022-23	899	939	1,020	991	1,002	944	1,019
2023-24	921	921	952	1,027	1,011	1,003	963
2024-25	891	938	931	963	1,045	1,010	1,018
2025-26	876	907	948	941	978	1,042	1,024
2026-27	860	888	913	953	951	971	1,052
2027-28	854	867	890	915	959	942	979
2028-29	851	860	867	892	922	950	949
2029-30	848	859	863	871	897	910	957
2030-31	847	856	861	865	877	887	919

The data in **Table 6** illustrates that although there is some indicative cumulative growth over the planning period, pupil numbers still indicate that the demand going forward from Reception entry 2023 will remain within the total number of places available of 1,020 per year, including the removal of 30 places at Cross Farm.

### Impact from Housing Developments

The greatest impact on the availability of primary school places is expected to stem from the additional pupil yield from new housing developments. The local authority works closely with the boroughs and district planning authorities to ensure accurate housing data is shared and reflected in pupil place forecasts.

Pupil place forecasts therefore include the pupil product expected to stem from new housing in the local area and, as a result, the forecasts suggest that there is likely to be a surplus of places maintained throughout the planning period at both planning area and borough level.

### Conclusion

Taking into consideration the data above, along with knowledge of the local area, the local authority is able to support the school's intention to reduce their PAN to 30. We will be working closely with the school and the academy trust to ensure that this will be sustainable, and we will continue to monitor the number of pupils coming forward. Should the forecasts for the borough and/or planning area change, we will work closely with all the local schools to ensure enough school places are made available where they are needed.

## Trust Board Determination

At their meeting on 8<sup>th</sup> February 2022, the Trust Board considered the data presented in this report, the responses received to the consultation and the statement from the local authority. The Trustees determined that, in order to ensure the sustainability of Cross Farm Infant Academy, the PAN should be reduced to 30.

The Trustees will continue to monitor the number of pupils applying for school places in the area and, should the place planning forecasts change, the PAN at Cross Farm will be reviewed. The Trustees are committed to working closely with the local authority to ensure there are enough school places available in the communities where they are needed.

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