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# Primary School Places

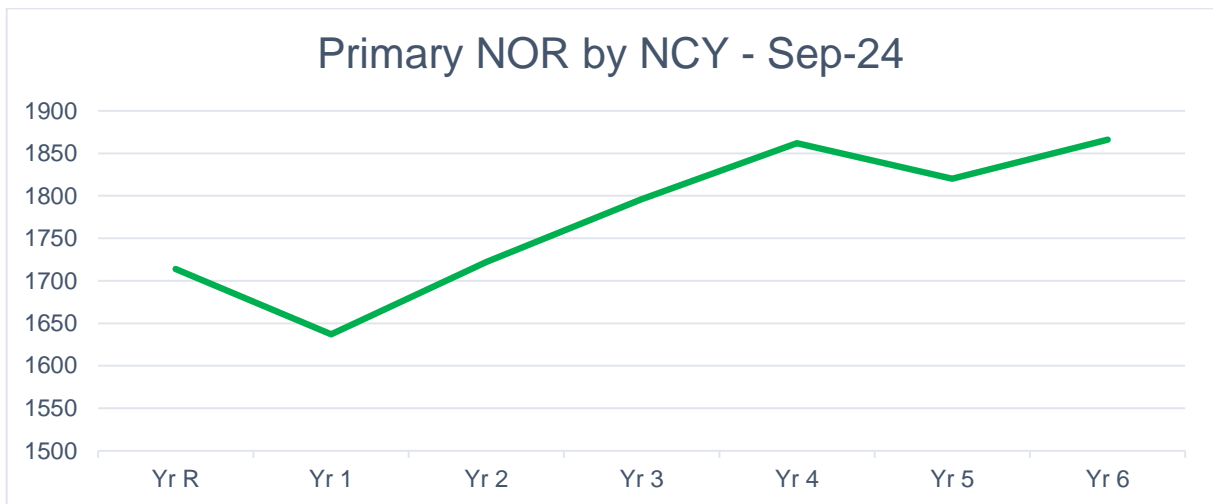
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## 1 Purpose of the Briefing

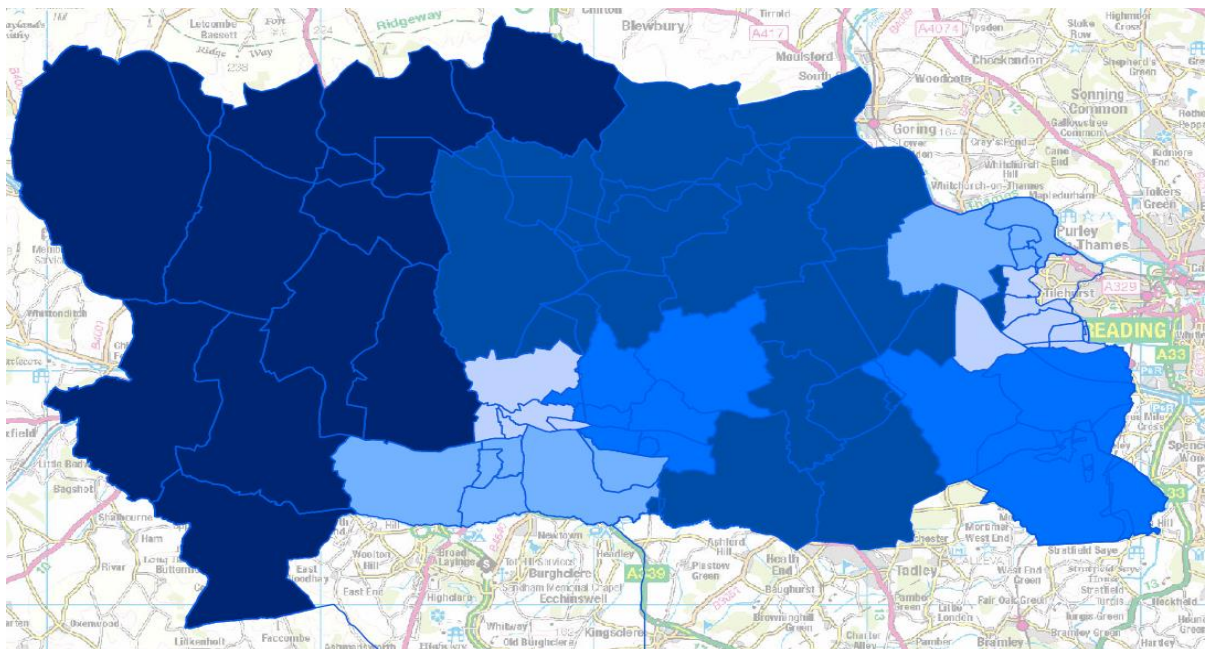
- 1.1 The purpose of this report is to provide a commentary on the distribution of primary school places. The report will set out principles that can be applied to target actions to address the surplus by both planning area and individual school level.
- 1.2 Strategic action is recommended to support the long-term sustainability of the primary sector. It is proposed that schools and planning areas are assessed against the criteria set out within the report. Schools and planning areas that do not meet these criteria could be reviewed and action to address the surplus places proposed.
- 1.3 The options available to the local authority are outlined in this report. The least disruptive solution will be proposed to decision-makers, provided it supports the overarching goal of maintaining sustainable schools that are both educationally and financially viable, and that continue to serve genuine community need.
- 1.4 This paper focuses on primary school provision. While some secondary schools currently have surplus places, this is generally due to perceived popularity rather than a lack of demand. Although pupil numbers in secondary schools are expected to decline over the forecast period, the cumulative impact is unlikely to be felt in the short to medium term.
- 1.5 Schools have been in contact with senior Officers about the current and projected level of surplus. Schools are keen for strategic action to be taken by the Council but are also concerned about what that action may entail.

## 2 Background

- 2.1 The district has been experiencing a decline in birth rate for some years, and this is having a cumulative impact on school places. A surplus is growing in the infant year groups and is moving into the juniors. The larger junior year groups are masking some of the declines, and the surplus will be significant once the current infant cohorts move into the juniors.



- 2.2 Schools are arranged into planning areas that work west-east across the district. The LA is required to have planning areas by the DfE, and surplus/deficit of places are considered by the department on a planning area level rather than on an individual school basis. The planning areas are made up of schools that are geographically linked and tend to have a relationship with each other in admissions terms.
- 2.3 The level of surplus across the district is not evenly spread between planning areas, individual schools, or cohorts. There is, however, a clear picture with most surplus places in the rural villages. A variety of factors will contribute to this, including property prices, ageing populations and little new housing.
- 2.4 The map below indicates the level of surplus across the district at planning area level, with the darker colours indicating a greater surplus. Newbury, Thatcham, and the eastern urban areas have the lowest surplus and the western areas the most.



### 3 Current Status

- 3.1 The birth rate in the district has been dropping steadily since the 2010s. The latest Office of National Statistics (ONS) projections suggest that the birth rate will stabilise at around the current level for the next decade before slowly rising. The birth rate is projected to recover to 2019 levels in 20 years, which would equate to around a 15% surplus of places at Reception by 2044 (based on current capacity). It should be noted that the ONS projections are from 2018 and that the projections have become increasingly inaccurate each year, albeit the level of difference is still below 7%. The projections therefore provide a useful indication of trends rather than actual numbers at this distance.
- 3.2 The declines have been managed on a case-by-case basis, focussing on the schools with the greatest surplus. To date 115 places have been removed at point of entry by reducing admission numbers and rationalising capacity. A further 25 places will be removed from September 2026, and 30 places are proposed to be removed from September 2027, subject to member agreement and public consultation in the autumn.
- 3.3 Despite the actions proposed and taken, the level of surplus is predicted to continue to grow. Surplus places at Year R (point of entry) are expected to grow to around 22% by the end of the forecast period, assuming all current trends continue.

***Predicted Year R surplus, including proposed or agreed reductions in PAN.***

	Capacity	Forecasts				
		2025	2026	2027	2028	2029
Totals	1920	1602	1619	1554	1507	1518
Surplus %		17%	16%	19%	22%	21%
Surplus		318	301	366	413	402

- 3.4 The surplus at whole school level, i.e. all year groups or total NOR, is set out below. It illustrates a steady increase in surplus places as smaller cohorts progress through the schools. By the end of the decade, the surplus is projected to reach 17% and is expected to continue rising due to further small reception intakes. These projections are based on current capacity and account for proposed and agreed PAN reductions.

***Predicted surplus (total NOR), including proposed or agreed reductions in PAN.***

	Capacity	Forecasts				
		2025	2026	2027	2028	2029
Totals	13440	12331	12251	11981	11696	11456
Surplus %		8%	10%	12%	15%	17%
Surplus		1109	1189	1459	1744	1984

### 4 Implications and Impact

- 4.1 Surplus places when viewed at district or planning area level can lead to significant financial and operational challenges. Since funding is linked to pupil numbers, smaller cohorts contribute to reductions in school budgets, restructuring of staffing

arrangements and disproportionate fixed costs such as building maintenance and utilities.

4.2 Maintaining a significant surplus of places at district, planning area or school level can have consequences. These effects extend beyond a single school or planning area, often leading to unintended consequences in other locations. Consequences include the following:

- Reduced funding - surplus places mean fewer pupils, leading to lower funding levels across schools.
- Inefficient use of resources - schools must still maintain staffing levels and facilities based on the PAN and capacity, which can result in inefficient spending.
- Staffing challenges - falling rolls can lead to uncertainty in staffing structures and may necessitate annual reviews, affecting staff morale and continuity.
- Reduced flexibility - schools subject to infant class size legislation face constraints in adjusting class structures, even when pupil numbers fall significantly.
- Impact on sustainability of schools - persistent surplus places across a block of schools can undermine the long-term viability of educational provision and impact strategic planning.
- Increasing numbers of mixed classes – reducing admission numbers at individual schools is increasingly leading to mixed-age class structures. This approach is often necessary to comply with infant class size legislation and to organise year groups around classes of 30. Schools or families do not always positively receive mixed-age classes.

4.3 It is important to recognise that falling pupil numbers do not impact all schools equally. Declines may disproportionately affect schools perceived as less popular, while others remain full or near capacity. This uneven distribution places certain schools at greater financial and operational risk.

4.4 Popularity can ebb and flow in different cohorts at an individual school level. Families respond differently to increasing choice and long-term trends can change as a result. This can present challenges when managing places at a strategic level.

## 5 Next Steps

5.1 It is important to maintain a modest level of surplus places to support parental choice and allow flexibility in responding to fluctuations in demand. National guidance recommends that local authorities aim for a surplus of around 5%, a figure supported by the Department for Education and highlighted by the National Audit Office in 2013. As outlined above, projections for the district indicate a surplus of approximately 22% in Year R and 17% across all year groups by the end of the decade—even after accounting for implemented, planned, and proposed PAN reductions. This level of surplus significantly exceeds the recommended threshold.

5.2 Achieving the district-level target of 5–10% surplus places will require proactive steps. Given the current scale of surplus, an initial target of 10% may be a more realistic and achievable starting point.

5.3 To guide this process and achieve a reduction in surplus places to 10%, a set of principles could be established to help prioritise areas with the highest surplus and determine where action is most needed. A sliding scale of options would be considered,

with preference given to solutions that minimise impact on schools, staff, and the wider community. While any intervention may present challenges, the overarching aim is to ensure long-term financial and educational viability, and to maintain schools that meet a genuine need in their community.

- 5.4 The target of 10% surplus could be applied to planning areas. Schools in these areas are linked in geographic terms, as well as by choices that families make. Analysing sufficiency at a planning area level makes sense for efficiency as well as ease of access. Planning areas that exceed this level for at least 3 consecutive years, either actual or forecast, would trigger a planning area review.
- 5.5 The table below sets out the actual (blue text) level of surplus at the end of the last academic year, and the forecast (green or red text) surplus to the end of the decade. All planning areas in the table below would meet the threshold for review, except PA 3,5 & 8.

**Percentage of surplus places (total NOR) at Planning Area level.**

Planning Area	Actual	Forecast				
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
PA 1	47%	54%	35%	37%	40%	42%
PA 2	28%	29%	33%	34%	38%	37%
PA 3 & 5	4%	2%	1%	3%	3%	4%
PA 4	8%	9%	10%	10%	11%	13%
PA 6	23%	25%	8%	7%	12%	15%
PA 7	12%	12%	14%	18%	20%	23%
PA 8	5%	4%	6%	9%	13%	16%
PA 9	8%	7%	8%	12%	14%	14%
PA 10	23%	17%	21%	22%	25%	26%

- 5.6 The threshold of over 10% surplus for three consecutive years, based on either forecast or actual data, could also be applied at individual school level. This approach would consider both the point of entry (Year R) and the whole-school population, helping to ensure that issues at specific schools are not overlooked. Schools with a higher level of surplus, such as over 25% in either Year R or total school numbers, sustained for three consecutive years, could be prioritised for review.
- 5.7 Schools/planning areas identified as having a surplus above the threshold would be reviewed. The reviews, at either planning area or individual school level, would consider factors including:
- Birth rate and catchment population – trends and patterns of births; population size; catchment recruitment and retention; does the PAN align with the catchment population size; impact of new housing developments.
  - Popularity – pattern of 1<sup>st</sup> preferences; inward/outward movement; is popularity increasing/decreasing.
  - Admissions analysis – patterns of movement; relationships between schools
  - Location of school(s) – proximity to population; proximity of other schools; impact on HTST; identify Rural Schools as defined by the DfE.
  - Size of school(s) – could the PAN be reduced; does the size/structure align with infant class size.

- Buildings – are there condition or compliance issues; is investment required; are there co-location opportunities.
- Current financial status – are there budget deficits; is this likely to change over the forecast period; could the financial picture improve.

5.8 Reviews could also be requested by schools and/or Governing Bodies in circumstances outside the criteria.

5.9 Schools in the district would *ideally* satisfy the following principles. These measures could be used to determine whether action is needed to address surplus places.

- Surplus places <10% for at least 3 years
- Comparable provision  $\geq 3$  miles away
- PAN aligns with actual and forecast demand
- PAN  $\geq 30$
- NOR  $\geq 50$  (at least 2 classes)
- Budget surplus or licensed deficit
- Low level of condition need

5.10 These measures would assess whether schools or areas exceeded the surplus place threshold, whether alternative provision was within a 3-mile radius, whether the PAN was achievable, whether there was potential to reduce the PAN, the costs of running the school, and whether current/forecast pupil numbers would support at least two classes (as this is likely to be the minimum required to be educationally viable).

5.11 Where schools or planning areas do not meet the established principles, and a subsequent review recommends action, a range of options could be considered. These would follow a graduated approach, with the least disruptive option proposed wherever possible. All proposed actions would be guided by the core objectives of ensuring schools remain both educationally and financially sustainable and continue to meet genuine local need.

5.12 The options available to the responsible body (such as the LA or academy trust) may include:

- Reducing the Published Admission Number (PAN): Could the PAN reduce while still supporting class sizes of 30?
- Federation or Academisation: Is there potential for the school to federate or join a multi-academy trust?
- Site Consolidation: Could schools be retained but operate across fewer sites to improve efficiency?

- School Closure: Is closure a viable option that would address educational and financial viability? Can the community still access primary provision?

5.13 As well as continuing to refresh the forecast with latest data, the LA will continue to:

- engage with schools, Multi Academy Trusts, and Diocese as well as other stakeholders to find the most appropriate solutions to deal with surplus places within a school or an area.
- encourage and support schools to review their financial and staffing position, considering restructure or reorganisation if needed.
- propose a permanent structural solution, such as a PAN reduction, amalgamation, or school closure, for stakeholder consideration only where a long-term intervention is deemed necessary.

## 6 Conclusion

- 6.1 Surplus places across the district are projected to increase, with forecasts indicating that 22% of places at the point of entry (Year R) could remain unfilled by the end of the five-year forecast period. This growing surplus may place increasing pressure on schools and could lead to a rise in the number of schools operating with deficit budgets. While pupil numbers are a key factor in school finances, they are not the only consideration. Currently, only a minority of schools with deficit budgets have significant surplus places.
- 6.2 Retaining the sites and buildings that we currently have is likely to put further pressure on school finances as the gap between funding and physical capacity widens. The Council may have to consider rationalising the estate to reduce this gap and associated funding burden.
- 6.3 The retention of school sites is increasing the number of schools teaching in mixed year group classes, which is not always popular with families and could impact on the popularity of affected schools as a result.
- 6.4 The retention of school sites has led to the continued operation of small rural schools, which in certain cases are facing financial and educational challenges. These schools can be particularly appealing to families of children with additional needs, which may increase budgetary pressures.
- 6.5 It is proposed that both planning areas and individual schools be reviewed using the criteria outlined earlier in this report. The established principles provide a framework for assessing groups of schools and identifying where intervention may be necessary. This report also sets out the mechanisms available to the local authority for addressing surplus places, which could be used to reduce levels to the 10% threshold.

## 7 Appendices

- Planning Area List