

**REPORT FOR: OVERVIEW AND  
SCRUTINY COMMITTEE**

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<b>Date of Meeting:</b>	5 July 2011
<b>Subject:</b>	School Place Planning in Harrow Schools
<b>Responsible Officer:</b>	Catherine Doran, Corporate Director Children's Services
<b>Scrutiny Lead Member area:</b>	Policy Lead Member: Councillor Christine Bednell – Children and Young People  Performance Lead Member: Councillor Krishna James – Children and Young People
<b>Exempt:</b>	No
<b>Enclosures:</b>	None

## **Section 1 – Summary and Recommendations**

This report sets out the processes for school place planning in Harrow, details the Greater London Authority School Roll Projection Service commissioned by Harrow to forecast the number of school places needed, and outlines the proposed school expansion programme.

**Recommendations:**

Overview and Scrutiny Committee is invited to note this report and offer comments.

## **Section 2 – Report**

### **Introduction**

1. The local authority has a statutory responsibility to provide sufficient school places for its area. Harrow has extensive experience of collaborative working with the schools in its area to achieve consensus about the changes needed to ensure sufficient places for the children seeking places in Harrow's schools.
2. There is significant projected increased demand for school places in Harrow and across London in the next few years. London Councils has warned that there is a predicted shortfall of around 70,000 permanent school places across London over the next four years, largely concentrated in primary sector schools but predicted to feed through into the secondary sector in London in the 2014/15 school year.

### **School Place Planning in Harrow**

3. School place planning in Harrow is led by officers in Children's Services in liaison with officers from several directorates. A range of information is considered, including projections, pupil numbers and admissions data. Proposals to increase or decrease the number of school places are developed and recommendations made.
4. In addition there is liaison with neighbouring boroughs on school place planning issues and with colleagues with responsibility for other policy areas, including the Local Development Framework, Extended Schools and Early Years, and the 14-19 agenda.
5. One of the key elements of school place planning, when additional school places are required to meet increased demand, is capital funding to ensure sufficient space is available to accommodate the children. The officer group includes the School Capital Programme Service Manager to ensure holistic school planning and forward planning for budget setting. The coalition government has announced its priorities for capital investment in schools are basic need, especially primary places, and capital maintenance.
6. During 2009 Harrow experienced an increase in demand for Reception places in excess of the planned admission numbers at its schools. The level of the increased demand in Harrow and across London was higher than expected and impacted nationally. Additional temporary Reception classes were opened for September 2009 and work was progressed to develop a school place planning strategy 2010 – 2013 for Cabinet approval.

### **School Place Planning Strategy 2010 – 2013**

7. In February 2010, Cabinet agreed its School Place Planning Strategy 2010 – 2013. The strategy was adopted in the context of predicted significant continued growth in demand for school places, and school

reorganisation changes implemented in Harrow that could affect demand (Harrow Collegiate sixth forms and changes in the ages of transfer).

8. The strategy established the framework for officers to develop and bring forward options to ensure there are sufficient school places to fulfil the local authority's statutory responsibilities. The strategy sets out the detailed information that supports the development of proposals to change the number of school places. Included with the strategy is the School Roll Projections 2010 – 2016 Report prepared by the Education Performance Team (Partnership Development and Performance Division - PDP). This report brings together information on population projections, pupil roll numbers and housing developments in Harrow.
9. The School Place Planning Strategy 2010 – 2013 identified that additional primary places would be required from 2010 onwards and that over the next two years, the Council would monitor the impact of the additional reception places created by bulge classes and develop proposals accordingly. The Strategy stated that if increased demand continues and pupil numbers are sustained, then permanent expansions will be considered.
10. The Education Consultative Forum considered the strategy in January 2010 prior to the Cabinet decision, and receives regular update reports about the implementation of the strategy.

### **Greater London Authority School Roll Projection Service**

11. Since 1992, the Greater London Authority (GLA) School Roll Projection Service has provided subscribing local authorities with roll projections up to ten years ahead. Twenty-one of the thirty-three London local authorities subscribe to this service. The methodology used by the GLA combines a 'catchment' method, which is based on population projections, and a 'replacement' method, which is based on school rolls. The combined projections are weighted towards the catchment method in the longer term and towards the replacement method in the short term.

#### **Catchment Ratio**

12. The catchment ratio is the ratio of pupils on roll in maintained schools in the borough to the number of people of the same age in the local population. An average catchment ratio is calculated from four years of historical actual roll information and is used to project school rolls each year up to ten years ahead. This catchment ratio enables underlying population trends to be factored in to projections. New housing developments, migration, fertility and other factors can contribute to population trends, which subsequently have an effect on school rolls.

#### **Replacement Ratio**

13. Replacement ratios reflect the net effect of gains and losses of pupils in age groups from one year to the next. Average replacement ratios are calculated across pairs of years from four years of historical actual roll information. This combines the effects of cross-border inflows and outflows, as well as the effects of pupils' changes of school.

### **Primary Planning Areas**

14. Primary Planning Areas were developed in 2004 to enable school place planning for the primary sector on an area basis as well as across the whole borough. These Primary Planning Areas were developed from analysis of the schools attended by children in Wards to establish the main subscription to community schools. Five geographic Primary Planning Areas are defined, and there is a sixth Primary Planning Area for voluntary aided sector schools.

### **Accuracy**

15. The GLA projections are created from sophisticated processes that build on demographic data and factor in other data such as migration and proposed housing developments. The national census every 10 years provides comprehensive demographic data and enables understanding of trends though inevitably as time passes from the census year there is less accuracy in the base data to inform projections. Though inaccuracies are small they are likely to grow in significance during an inter-censal (between Censuses) period and be at their greatest immediately prior to the carrying out of a new census. All the current population projections and estimates use the 2001 Census as its base, so more accurate projections will be produced once the 2011 Census results become available from July 2012 onwards.
16. The accuracy of the GLA school roll projections is analysed over time and was analysed by the Education Performance Team (part of the Chief Executive's Department) for the School Place Planning Strategy 2010 – 2013. The analysis indicate the GLA roll projections have an acceptable working degree of accuracy. The school roll projections over the range of age groups are compared with the projections that were prepared by the GLA in the previous four years. The percentage differences between the projections and the actual rolls are relatively small for most of the ages. Projections for the Reception intake over the past two years have proved to be challenging for most authorities and this is reflected in Harrow's experience of demand for Reception places.
17. The reasons for the challenge in projections for the Reception intake are complex. In addition to the overall inter-censal issue noted above, changes to population trends in the short term take time to be identified and factored into projections. For example, changes in migration patterns, fertility, housing occupancy, etc. A specific issue that has been identified is that there has been a continuing rise of births in London and nationally, which was contrary to the fertility assumptions in the ONS 2008-based National Population Projections that GLA projections drew on. The GLA has agreed with participating local authorities that its model should hold borough age-specific fertility rates constant for five years (2009/2010 to 2013/2014) before following the decline assumed in the ONS 2008-based projections for England. It is believed that this will lead to projections for Reception places that more accurately reflect the reality being experienced.
18. Reliance on the GLA projections as a starting basis for school place planning has served Harrow sufficiently well in recent years. An appropriate level of additional temporary Reception places have been

put in place for September 2009 and 2010, and the planning for September 2011 appears sufficient at this stage and has enabled all on-time applicants to be offered places, and 95% of applicants to receive one of their preferences. As can be seen from the accuracy analysis above, it is challenging to develop projections with complete accuracy and a close watch has to be kept on the situation and on developments locally. Liaison with neighbouring boroughs adds to the picture, and it is helpful in this respect that they also use the GLA School Roll Projection Service. Alternative approaches to achieving projections could be considered, but are likely to be more resource intensive. Given the scale of projected additional demand the Education Performance Team proposes to adopt more systematic approaches to analysis of local data to verify the GLA projections, for example, birth, admissions and early years data and to explore other sources including Experian, which already provides a range of demographic data to the local authority.

### Current situation

19. Since September 2009 Harrow has opened additional Reception classes to meet the sustained additional demand that has been experienced by most other local authorities in the London area. These additional Reception classes have been opened in existing Harrow schools on a temporary basis. These additional classes are often referred to as 'bulge' classes, and the class progresses through the following year groups at the school. Five bulge classes were opened in September 2009, a further five bulge classes were opened in September 2010, and eight bulge classes will be opened in September 2011.
20. The Greater London Authority School Roll Projection Service provides Harrow with school roll projections up to ten years ahead. The increased demand for Reception places is projected to continue throughout this period and beyond, and will impact on all schools in Harrow.

### Implications of the Projections

21. A surplus of 5% is applied for school place planning purposes to manage fluctuations in demand and offer some parental preference. This table indicates the number of additional Reception classes over the currently available permanent Reception places (2,550) that would be required to meet projected demand with the surplus planning factor applied.

12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21
13	14	14	15	15	15	14	12	10

22. The projected demand is spread across all the Primary Planning Areas (2-3 forms of entry per PPA).
23. It is predicted that there will be levelling of demand in 2024/25 at the level projected for 2012/13 - this is based on comparison of birth rates in 2008 and projected for 2020.
24. It is not sustainable to meet the projected level of increased demand for Reception places through opening bulge classes alone during the next ten year planning period from 2012/13 onwards. A significant number of

additional permanent places in primary sector schools will be required. It is considered that Harrow needs to increase the focus on this area of work and establish an expansion programme to increase the number of permanent places in Harrow schools.

25. This increased demand will follow through into the secondary sector in five years time (academic year 2016/2017). The expansion programme would therefore start with the primary sector and then encompass the secondary sector in due course. Alongside the creation of additional permanent places will be a more formalised temporary bulge class programme to provide the basic capacity required to meet the full projected demand.

### **School Expansion Programme**

26. An enabling report will be presented to the Cabinet meeting on 21 July 2011 recommending that a school expansion programme be established, as part of the overall School Place Planning Strategy 2010 – 2013, to meet the projected increased demand for school places in Harrow. Planning will need to be developed based on current provision and knowledge, though it will need to take account of external developments such as:
  - free schools and academies;
  - emerging national capital strategy.
27. The programme will need to be developed and implemented in close partnership with Harrow's maintained schools and with the involvement of key stakeholders such as faith organisations, academies and any free school proposers. Representative primary headteachers have been identified to work with officers to develop initial proposals and principles that will be applied when identifying primary sector schools for expansion. There are three aspects to the proposed school expansion programme:
  - Permanent additional places at a sustainable level that would avoid the need to remove places when the level of increased demand reduces;
  - Temporary places (bulge classes) provided through a rolling programme within Primary Planning Areas at schools that are not being permanently expanded;
  - Contingency additional temporary places each year in case these are needed in the event of demand arising at a higher level than forecast e.g. potential migration impact of the government's reform of welfare and housing benefits.
28. Planning to create additional school places will need to be developed and monitored over time to ensure the optimum level of provision. The high level planning that will be presented to Cabinet therefore indicates ranges within which actual planning is expected to be developed. It is proposed not to apply the full +5% surplus places planning factor for the period 2012/13 to 2017/18 to avoid risk of creating additional places that do not fill.

## **Financial Implications**

29. Current place planning arrangements are covered from existing budgets. Should any changes to the arrangements be recommended, then any financial implications arising would need to be considered.
30. Any school expansion programme will inevitably have significant financial implications, which are summarised below.

### **Revenue**

31. School revenue budgets are funded from the Dedicated Schools Grant (DSG). As the Department for Education (DfE) allocates DSG based on pupil numbers, any increase in pupil numbers results in additional revenue funding for the expanding school. As school budgets are based on pupil numbers in the January prior to the start of the financial year, there is always a funding lag when schools increase their pupil numbers. To ensure that schools who agree to an expansion are not financially penalised the Harrow school funding formula provides 'Additional Class Funding' for the period from September to the end of March, following which the mainstream funding formula will take effect.

### **Capital**

32. The major impact will be on the capital programme. The exact cost will not be known until the details of which schools will be expanded are finalised. The expansion programme is likely to include a new school which, given the current national policy, could be either a Free School or an Academy funded directly by the DfE. There may also be the potential to utilise s106 agreements in respect of the new developments to provide for permanent expansions.
33. The carbon impact of any capital investment will need to be fully considered to ensure that the council's overarching climate change target of reducing carbon emissions is taken into account.
34. Spare capacity on school sites will be used and full use made of existing capacity. The change to the age of transfer created spare capacity in the primary sector that should serve to reduce the need for capital expenditure. Work to quantify the extent of spare capacity is being undertaken as a matter of urgency and this will inform the programme of works required. It is imperative that schools maximise the space allocated to teaching within the school. Not only will this minimise the amount of DfE capital grant that has to be allocated to the expansion programme but will make the school more sustainable from a revenue point of view. For example whereas the current school funding formula allocates a proportion of the school budget based on floor area any national funding formula is expected to see practically all school funding being based on pupil led factors. Consequently schools with large areas of non-teaching space would have to allocate a higher proportion of their budget to cover premises costs.
35. The council should be able to spread the cost of permanent expansions over a number of financial years as it will take time for the expansion to work its way through the school. This spread will assist with trying to manage the school capital programme within the envelope of grant funding, though this will need to be confirmed.

## **Equalities Implications**

36. As proposals for permanent expansion are brought forward then there will be Equalities Impact Assessments undertaken on specific proposals.

## **Performance Issues**

37. Harrow is a high performing Local Authority and the large majority of local services are judged to be good or better by Ofsted. Schools in Harrow perform well in comparison to national and statistically similar local authorities. Most primary schools and all secondary schools are judged good or outstanding. Managing increasing demand for places will be important in maintaining these high standards in the borough's schools.
38. The White Paper and Bill maintain a focus on driving up standards in schools, and place more of the responsibility with the schools directly for their improvement. The role of the Local Authority in measuring performance and driving improvement is changing significantly and will reduce from its current level. However, the Local Authority will maintain a strategic oversight and enabling role in local education, and is likely to retain some role in monitoring educational achievement and key measures such as exclusions and absence. The exact nature of the respective roles and responsibilities is still emerging and is being discussed with the schools.
39. Although the national indicator set has been abolished by the Department for Communities and Local Government, all of the key education indicators remain in place and continue to be reported to the Department for Education (DfE). This situation remains under review and the DfE is yet to provide clear guidance on if and how educational performance will be judged at a borough level.
40. There are implications for the provision of performance and management information to other services within Children's Services where schools' data is not transferred to and held by the Council. This includes data from potential academies and other schools not taking up some interdependent Service Level Agreements (SLAs).

## **Environmental Impact**

41. The school expansion programme will have an environmental impact that will need to be considered. Schools account for 50% of the council's total carbon emissions (62% of emissions under the Carbon Reduction Commitment scheme – [CRC]) and will need to play a full part in reducing these emissions by 4% per annum (as set out in the council's climate change strategy).
42. It will be essential that any new build or temporary accommodation is built to a good standard of thermal and energy efficiency to minimise use of energy.
43. The government's position on whether the council or academies are responsible for emissions under the CRC is yet to be clarified.



## Risk Management Implications

Risk included on Directorate risk register? No.

Separate risk register in place? No.

44. The directorate and corporate risk management implications for the council arising from a school expansion programme would be considered for inclusion on the directorate and corporate risk registers.
45. It is planned to work with primary headteachers about developing sustainable provision to meet future demand for reception places. This will help to reduce risk that there will be insufficient provision of school places within Harrow to meet demand.

## Corporate Priorities

46. These considerations will support the Council's Corporate Priorities for 2011-2012:
  - United and involved communities: A Council that listens and leads.
  - Supporting and protecting people who are most in need.

## Section 3 - Statutory Officer Clearance

Name: Emma Stabler	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 22 June 2011		
Name: Sarah Wilson	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 22 June 2011		

## Section 4 - Contact Details and Background Papers

**Contact:** Chris Melly, Senior Professional, 020 8420 9270  
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### Background Papers:

School Place Planning Strategy 2010 – 2013. Cabinet item 769 11<sup>th</sup> February 2010 <http://www2.harrow.gov.uk/ieListDocuments.aspx?CId=249&MId=4622>