

REPORT FOR: **CABINET**

Date of Meeting:	21 July 2011
Subject:	School Expansion Programme
Key Decision:	Yes [Affects all Wards]
Responsible Officer:	Catherine Doran, Corporate Director Children's Services
Portfolio Holder:	Councillor Brian Gate, Portfolio Holder for Schools and Colleges
Exempt:	No
Decision subject to Call-in:	Yes
Enclosures:	Recommendation from Education Consultative Forum – 27 June 2011

Section 1 – Summary and Recommendations

This report sets out a proposal for a school expansion programme, as part of the overall School Place Planning Strategy 2010 – 2013, to meet the projected increased demand for school places in Harrow.

Recommendations:

Cabinet is requested to:

1. approve the implementation of a school expansion programme, as part of the overall School Place Planning Strategy 2010 – 2013, to meet the increased demand for school places;
2. delegate the detailed decision making within the school expansion programme to the Corporate Director Children's Services in consultation with the Portfolio Holder for Schools and Colleges, and report to Cabinet in

- due course on the capital investment requirements for further approval;
3. note the policy position about Free Schools and Academies in Harrow.

Reason: (For recommendation)

To ensure there are sufficient school places to fulfil the local authority's statutory responsibilities.

Section 2 – Report

Introduction

1. The local authority has a continuing 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 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 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. The level of projected increased demand for school places in Harrow is such that the current established arrangements need to be more formally incorporated into a school expansion programme as part of the overall school place planning strategy. Government policies about Academies and Free Schools need to be considered both as part of the solution and for the additional dimension they bring to education provision.

Options considered

7. In February 2010, Cabinet agreed its School Place Planning Strategy 2010 – 2013. This 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.
8. 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.
9. 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.
10. 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).

Current situation

11. Since September 2009 Harrow has opened additional Reception class places to meet the sustained additional demand that has been experienced by most 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.
12. 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

13. 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. Analysis of the GLA school roll projections over time indicates an acceptable working degree of accuracy. 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 that would be required to meet projected demand with the surplus planning factor.

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

14. The projected demand is spread across all the Primary Planning Areas (2-3 forms of entry per PPA). For primary sector school place planning purposes, the borough is divided into five geographic areas and a sixth planning area for voluntary aided schools.
15. 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.
16. 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.
17. 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.

Recommendation to establish a School Expansion Programme

18. The Corporate Director for Children's Services recommends that a school expansion programme be established. 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.
19. 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 places;
- Temporary places (bulge classes);
- Contingency places.

20. 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 proposed below 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.

Permanent places

21. It is proposed that planning should be taken forward to establish 6-8 permanent additional forms of entry in the primary sector by 2016. It is believed this would be a sustainable level of additional places for the foreseeable future, and would avoid the need to remove places when the level of increased demand reduces. The approach initially would be to open bulge year classes in schools being considered for permanent additional forms of entry to ensure the sustainability of the increase.
22. It is envisaged that the majority of these additional forms of entry would be established at existing maintained schools, though 2-3 of these permanent additional forms of entry are proposed to be provided through the creation of a new primary school(s). Currently there are two routes through which new schools may be established:
1. The emerging Harrow Core Strategy states there will be a need for a new primary school to meet the additional child yield from new housing developments in Harrow. It is expected that a new school would need to be located in the central area of Harrow, particularly should future new residential development be concentrated in the Harrow and Wealdstone areas. This may be established from 2015/16.
 2. In line with the government's policy, proposers may come forward to establish Free Schools in Harrow.
23. Work is being taken forward with Place Shaping Directorate colleagues to establish the proposed size of new school(s) and potential sites. This work will include an Infrastructure Plan that identifies potential sites for schools that could meet the child yield associated with new housing developments over the next 15 years. The community Infrastructure Levy (CIL) Regulations enable local planning authorities to collect financial contributions from individual developments towards infrastructure made necessary by developments across the borough. In accordance with emerging details of the Education Bill there would be

the presumption that a new school would be an academy or free school, rather than a community school, and open to proposers to apply.

24. It is understood that the Department for Education takes the lead about negotiations for Free School sites. Free School proposers are required by the Department for Education to set out the range of possible site options available for their Free School including details of the preferred site. They are not required by DfE to enter into any negotiations for sites and must not do so at the application stage.

Temporary places

25. It is proposed that it is planned to establish 4-6 additional bulge class forms of entry per year. These will need to be provided through a rolling programme within Primary Planning Areas at schools that are not being permanently expanded.

Contingency places

26. Contingency planning would be put in place for more temporary additional forms of entry each year in case these are needed in the event of demand arising at a higher level than forecast. For example, the potential impact of the government's reform of welfare and housing benefits may lead to migration from inner London to outer London boroughs.

Implications of the recommendation

27. The schools capital programme will need to be focussed almost exclusively on supporting the school expansion programme in order to meet the level of demand for school places. There are implications for the Council's financial strategy.
28. Though primary sector schools have been able to open temporary additional forms of entry through the use of space vacated following the changes to the ages of transfer, there are capital implications, and implications for the range of opportunities schools provide for the children and families in their area, that will need to be considered for this aspect of the programme. These include:
 - Feasibility work will be required for all schools taking additional pupils / students, that also takes into account building condition issues.
 - Separate junior schools continue to have four year groups and do not have space vacated through the school reorganisation changes in the same way as primary schools and separate infant schools.
 - The Department for Education expectation will be that classroom capacity is fully used and that there is compliance with Building Bulletins 98 and 99. This will require rigorous examination of the use of all space in Harrow's schools, which may impact on provision. For example, Harrow's schools have developed rich provision for their pupils / students beyond curriculum requirements and provide extended services to children and families. Also, primary sector schools have had in place provision

to meet Year 7 Key Stage 3 curriculum requirements, which is no longer applicable following the school reorganisation changes and may mean that some provision does not need to continue in the same way.

29. The size and nature of schools in Harrow will need to be considered. For example, it is envisaged there will be separate infant and junior schools that are expanded to four forms of entry, and all-through primary schools of four forms of entry may be considered appropriate. Free school promoters may be proposing one form of entry schools. A number of secondary schools in Harrow are expected to become academies later this year and there may be further academies in both the primary and secondary sector. Voluntary aided schools may also be considering opportunities for expansion. These schools will need to be closely involved and engaged in the implementation of the expansion programme.

Free Schools and Academies

30. The government's policies on Free Schools and Academies are beginning to impact on Harrow. The additional flexibilities granted to these schools will need to be considered in relation to the school expansion programme. For example, the government's consultation on Changes to the Admissions Framework proposes to allow all popular and successful schools to increase their Published Admission Number, with a strong presumption in favour of an increase in respect of an objection.
31. **Academies** Seven of Harrow's high school governing bodies have decided to transfer to academy status. Other schools across sectors may consider transfer of status to academy at a future point. Harrow Council's position is that it will continue to support schools that transfer to become academies, and will encourage them to continue working in partnership with each other and with schools in other sectors to deliver the very best education for children in Harrow.
32. **Free Schools** Harrow Council has had initial approaches from potential promoters of Free Schools in Harrow. In accordance with its role to secure a wide range of education options for parents and families, championing choice and ensuring there are sufficient high-quality school places, Harrow Council will respond to approaches it receives to consider what the promoters' proposals may offer to children and families in Harrow and the contribution they may make to the school expansion programme in Harrow.

Financial Implications

Revenue

33. Any school expansion programme will inevitably have significant financial implications. 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

34. 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. The exact cost of a new build will be dependent on the site however the standard construction cost of a 3 form of entry primary school without a nursery is £8.5m. There may also be the potential to utilise s106 agreements in respect of the new developments to provide for permanent expansions.
35. 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.
36. 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.
37. Funding the expansion programme will need to be considered as part of setting the 2012/13 to 2016/17 Capital Programme in the Medium Term Financial Strategy (MTFS). In 2011/12 the DfE acknowledged the need to provide additional places through the allocation of £3.2m of basic need capital grant. A national review of schools' capital is currently underway and no funding has been confirmed for 2012/13 onwards, though for planning purposes it is expected to be in line with the 2011/12 allocation. If the cost cannot be met from DfE capital grants then it would be a call on the council's capital programme.
38. 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

39. As proposals for permanent expansion are brought forward then there will be Equalities Impact Assessments undertaken on specific proposals. The Education Consultative Forum are considering these proposals at their meeting on 27 June 2011 and have been invited to consider what equality implications there may be in relation to any of the proposals in this report.

Performance Issues

40. Harrow is a high performing Local Authority and the large majority of local schools 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 the increasing demand for school places across the borough will be highly important to maintaining these high standards in Harrow schools.
41. The White Paper and Education 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.
42. 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.
43. 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 SLAs.

Environmental Impact

44. 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).

45. 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.
46. 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.

47. 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.
48. It is proposed to work with primary headteachers about developing sustainable and agreed 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

49. The school expansion programme 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:	Julie Alderson	<input checked="" type="checkbox"/>	Chief Financial Officer
Date:	22 June 2011		
Name:	Sarah Wilson	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date:	13 June 2011		

Section 4 – Performance Officer Clearance

Name: David Harrington



on behalf of the
Divisional Director
Partnership,
Development and
Performance

Date: 22 June 2011

Section 5 – Environmental Impact Officer Clearance

Name: Andrew Baker



on behalf of the
Divisional Director
(Environmental
Services)

Date: 21 June 2011

Section 6 - Contact Details and Background Papers

Contact: Chris Melly, Senior Professional, Children's Services
020 8420 9270 chris.melly@harrow.gov.uk

Background Papers:

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

**Call-In Waived by the
Chairman of Overview
and Scrutiny
Committee**

NOT APPLICABLE

[Call-in applies]