

Committee: Council

Date: 20 November 2013

Wards: ALL

Subject: Strategic Objective Review – Children and Young People (Education with specific focus on school expansion)

Lead officer: Yvette Stanley, Director of Children, Schools and Families Department

Lead member: Cllr Martin Whelton

Contact officer: Paul Ballatt, Head of Commissioning, Strategy and Performance; Children, Schools and Families Department

Recommendations:

- A. That Council consider the content of the report.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Council at its meeting on 6 March 2013 approved the Business Plan 2013-2016. The Business Plan represents the way in which the council will deliver the Sustainable Community Strategy, which is grouped into five strategic themes (sustainable communities, safer and stronger communities, healthier communities, older people, children and young people). Performance against these themes, plus an additional theme of corporate capacity, is monitored by Council.
- 1.2 Each meeting of Council will receive a report updating on progress against one of these strategic themes. This report provides Council with an opportunity to consider progress against the priorities that are to be delivered under the 'children and young people' theme – with a specific focus on school expansion.
- 1.3 The ambition for the theme as outlined in the council's Business Plan 2013-17 is to 'improve health outcomes, maintain robust safeguarding, improve educational outcomes, promote children and young people's positive contribution and their economic wellbeing'. In respect of the specific education focus of this report, we want each child to have a suitable school place, to enjoy and achieve in their education, to have high aspirations for themselves and to achieve their potential in life.
- 1.4 The key portfolio holder is the Cabinet Member for education, Councillor Martin Whelton.
- 1.5 The Business Plan can be viewed at www.merton.gov.uk/businessplan

2 DETAILS

- 2.1 The Children Schools and Families Department aims to improve outcomes for children and young people in Merton through commissioning and providing a range of universal, targeted and specialist services. These include:
- Early years services in children’s centres and settings
 - Primary, secondary and special schools
 - Services for pupils with Special Educational Needs
 - School admissions, pupil place planning and school capital strategy
 - School improvement
 - Integrated youth services
 - Social work assessment and casework
 - Services for looked after children and care leavers
 - Integrated services for children with disabilities
- 2.2 The Department leads the local Children’s Trust, a partnership of agencies from the statutory, community and voluntary sectors including schools which develops strategy and plans for the delivery of co-ordinated and integrated services for children, young people and families. Many of the Council’s children’s services are provided through this partnership approach with, for example, integrated teams, multi-agency jointly delivered services and some co-location of staff.
- 2.3 This report focuses specifically on education issues. It summarises progress made in improving educational outcomes for children and young people and provides fuller detail on the expansion of Merton’s school sector to meet the increasing demand for school places in the borough.

Commentary and key achievements relating to educational outcomes and the provision of sufficient school places

Primary Schools

Merton Ofsted Inspection Outcomes

- 2.4 In 2010 67% of Merton’s Primary Schools were rated Good or Outstanding following Ofsted inspections. In 2011 this figure had increased to 72% and improved further in 2012 to 81%. As at end October 2013, despite changes to the inspection framework which place more demands on schools to achieve particular ratings, 84% of Merton’s Primary Schools are rated Good or Outstanding for overall effectiveness. Merton’s primary schools are outperforming the national average of 78% Good or Outstanding (as at June 2013).

KS2 Outcomes

- 2.5 Key stage 2 is completed for most pupils between year 3 and 6 of the primary phase. National Curriculum standards have been designed so that most pupils will progress by approximately one level every two years. Pupils are expected to achieve level 4 by the end of Key Stage 2 and to make two levels of progress between Key Stage 1 and Key Stage 2.

- 2.6 Merton's performance (from latest validated data in 2012) of 79% of pupils achieving level 4 and above in both English and Maths is an improvement from 77% in 2010 and is in line with national attainment levels. Merton's percentage of pupils making expected progress in English has improved from 91% in 2010 to 94% in 2012 - above the national figure of 89%. Merton's percentage of pupils making expected progress in Maths has also improved from 87% in 2010 to 88% in 2012 and remains above the national average.

Secondary Schools Merton Ofsted Inspection Outcomes

- 2.7 In 2010 and 2011 38% of Secondary schools were rated good or outstanding following Ofsted inspection. In 2012, performance improved to 43% good or outstanding. As at end October 2013, 86% of Merton's Secondary Schools are rated good or outstanding, outperforming the most recently published national average of 72% good or outstanding (as at June 2013).

KS4

- 2.8 Key stage 4, known as GCSEs, are the main qualifications studied by pupils in years 10 and 11. GCSEs are studied in a wide range of academic and 'applied' (work related) subjects.

- In 2012, 84.6% young people attending Merton Schools achieved five or more A-C grades at GCSE, an improvement from 77.1% in 2010 and above the national average of 81.8%.
- 59.1% of students achieved five or more A*-C including English and Maths, an improvement from 52.4% in 2010.
- We have also shown an improvement in the percentage of young people making expected process in English between KS2 and KS4 of 70.8% in 2012 from 67.8% in 2010 and Maths from 64.2% in 2010 to 78.2% in 2012, both indicators show Merton performing above the national average.

- 2.9 The provisional figures for 2013 have been provided by schools; they show a further rise in attainment but are yet to be validated by the DfE:

- 87% of students gained five A* – C across all subjects, an improvement of approximately 3% from last year, and 10% since 2010
- 64% of students in the borough achieved A*-C including English and Maths, up 5% on 2012, and approximately 12% since 2010.

Special Schools

Merton Ofsted Inspection Outcomes

- 2.10 In 2010 67% of Merton's three special schools and PRU were rated as outstanding following Ofsted inspection. As at end October 2013, 100% of these schools are rated as good or outstanding.

SEN Attainment

- 2.11 In 2010, 26% of SEN pupils with school action status achieved five or more A*-C grades at GCSE and 20% achieved five or more A* - C including English and maths against national averages of 56% and 26% respectively. In 2012, attainment levels for this measure in Merton had improved to 71% and 31% in comparison to national averages of 69% and 28%.
- 2.12 For SEN pupils with school action plus status, in 2010 51% achieved five or more A* - C grades against a national average of 40%. 19% achieved five or more A* - C including English and maths compared to the national average of 17%. In 2012 attainment levels in Merton rose to 71% and 31% respectively against national averages of 69% and 28%.
- 2.13 In 2010 29% of Merton's SEN pupils with full SEN statements achieved five or more A* -C grades at GCSE and 4% achieved this measure including English and maths. This compared to national averages of 20% and 7%. By 2012 Merton achieved 27%, in line with the national average, 10%, above the national average of 8%.

Exclusions

- 2.14 Permanent exclusions reduced in 2011-2012 to 12 permanent exclusions, from a high of 21 in 2010-11 and 16 in 2009-2010. The number of fixed term exclusions has decreased across primary and secondary phases from 2010 to 2012, but for secondary schools remains higher than the national average.

Attendance and absence

- 2.15 Attendance and persistent absence rates have improved from 2010 to 2012 in primary, secondary and special schools. Attendance levels have improved from 94.0% in 2010 to 94.8% in 2012, in line with the national average of 94.9%. Persistent absence levels have also improved from 6.8% in 2010 to 5.2% in 2012, also in line with the national average of 5.2%.

Merton Education Partnership

- 2.16 The performance levels noted in the above paragraphs demonstrate a steady, and in some measures, significant improvement over the past years. The council and schools retain strong ambitions for further improvement overall and, in particular, in narrowing attainment gaps. Partnership between the council and schools and between schools themselves is of paramount importance in realising these ambitions. Funding pressures on local authorities have resulted in reduction in central support to schools and the sharing of expertise and capacity between schools has therefore become even more essential. In Merton, this recognition led in 2011 to the establishment of the Merton Education Partnership. All Merton schools and most local academies are members of this partnership whose current priorities include developing the quality of leadership and management at all levels in schools and improving the quality of teaching.

Provision of Suitable and Sufficient school Places

- 2.17 This report provides Council with details of progress made in providing additional school places in the borough to ensure the council fulfils its duty to provide sufficient and suitable places for all pupils who wish to attend Merton schools.
- 2.18 In line with many urban local authorities across the country and in London, Merton has been experiencing a significant increase in demand for school places caused by a child population growth reflected in a dramatic increase in the live birth figure and also by other demographic factors.
- 2.19 This increase in demand has, to date, required the provision of significant additional permanent capacity in the primary school sector achieved through expansion of existing schools. More expansion of primary school places is anticipated through to 2020/21, albeit some likely to be via temporary provision only. Merton's strategy thus far has enabled the council to offer suitable primary school places to all parents each year with, in fact, a greater percentage of applicants obtaining places in their preference schools, with the percentage of children being offered one of their top 3 preferences increasing from 89.4% in 2011 (the first year of national of admissions coordination) to 91.9% in 2013.
- 2.20 Demand for secondary school places will start to increase in 2014/15 with pressure on sufficiency of places beginning to be felt in 2015/16, with existing surplus places in the sector rapidly diminishing and total year 7 places needing to increase moderately at this time, and accelerating over the following years to keep up with demand. A major secondary places expansion programme will be required through to the early 2020s.
- 2.21 Some additional special educational needs (SEN) places have already been provided in further specialist provision within mainstream schools and through expansion of existing special schools. In line with increases in the general population, demand for SEN places will continue to grow into the next decade.
- 2.22 The paragraphs below detail expansion projects undertaken to date and in planning. It informs members of the planning assumptions made for the next phase of the expansion programme and provides some detail in respect of how officers will approach the further demand across all school sectors. The report is as detailed as possible bearing in mind that while providing sufficient and suitable school places requires a strategic approach it is also necessary to ensure flexibility as, while it is possible to forecast general changes in demand, it is not possible to forecast the exact level of demand in all specific areas given the many changing factors that contribute to the demand for school places.
- 2.23 Our approach to the increased supply of places in the primary sector has been informed by the administration's commitment to expanding good and outstanding local schools, schools which are popular and over-subscribed and smaller schools to aid their financial viability. Permanent expansion in good quality accommodation has been agreed where demand is expected to be sustained but it has been recognised that some temporary provision may be provided later in the strategy to address shorter –term increase in demand.

These principles have enabled an effective and affordable strategy to be implemented to date.

2.24 Further principles that Cabinet has endorsed for any change in secondary provision are as follows:

- The increase in required school places is a key opportunity to reshape the secondary school landscape in Merton to respond to the expectations of parents and fundamentally change the perception of secondary school education in Merton
- We want to seek to address the historic flow of pupils to out of borough provision in order to retain a more representative ability profile in Merton's own secondary schools.
- We want to maintain diversity of provision and provide attractive choices for pupils and parents.
- We want the whole network of schools to be able to meet the wide range of individual needs of pupils
- We recognise that size of schools is an important consideration for education professionals and parents and will plan our expansion strategy accordingly.

In respect of meeting increasing demand for SEN places, the following specific principles should apply:

- Merton has a well-established inclusion strategy which means that pupils with special needs should, wherever possible and appropriate, be educated either with their peers in mainstream schools or in local special school provision
- Local provision enables easier access to other specialist services – eg health provision; social care support – which are needed to promote better outcomes for some pupils with SEN
- SEN pupils with the most complex needs require specialist accommodation and equipment in schools which, necessarily, results in higher cost for this type of provision.

The current position in relation to primary, secondary and special school provision is outlined in the following sections in the report.

Primary Places – progress to date

2.25 From a baseline position in 2007/08, Merton is committed to providing 21 additional forms of entry in the borough's primary schools in permanent accommodation. A form of entry provides 30 places per year, and as it flows through into all seven years of primary school, the additional 21 forms of entry will provide an extra 4,410 permanent primary school places.

2.26 The table below provides an update of the permanent expansion schemes providing 21 forms of entry:

TABLE OF PERMANENT SCHOOL EXPANSIONS FROM 2008/09

| | School | Year of first Additional Reception Class | Status |
|-----------|-------------------------------|---|--|
| 1 | Wimbledon Chase | 2008/09 | Permanent Scheme completed |
| 2 | Holy Trinity CE | 2008/09 | Permanent Scheme completed |
| 3 | St Thomas Of Canterbury RC | 2008/09 | Permanent Scheme completed |
| 4 | Benedict | 2009/10 | Permanent Scheme completed |
| 5 | Hollymount | 2009/10 | Permanent Scheme completed |
| 6 | Joseph Hood | 2009/10 | Permanent Scheme completed |
| 7 | Aragon | 2010/11 | Permanent Scheme completed |
| 8 | Cranmer | 2010/11 | Permanent Scheme under construction |
| 9 | All Saints CE (Haydons Road)) | 2011/12 | Permanent Scheme completed |
| 10 | Gorringe Park | 2011/12 | Permanent Scheme completed |
| 11 | Liberty | 2011/12 | Permanent Scheme completed |
| 12 | St Mary's RC | 2011/12 | Phase 1 permanent scheme completed – phase 2 to contract in 2013 |
| 13 and 14 | Singlegate | 2011/12 | Phase 1 permanent scheme completed. Phase 2 incorporates adjacent former school building purchased to allow school to be 3 forms of entry from 2014/15. To contract in early 2014. |
| 15 | William Morris | 2011/12 | Permanent scheme completed |
| 16 | Wimbledon Park | 2011/12 | Permanent scheme to complete in late 2013 |
| 17 | Dundonald | 2011/12 (But not in 2012/13 or 2013/14) | Scheme delayed by legal issues but planned to contract in spring 2014 |
| 18 | Hillcross | 2011/12 | Permanent Scheme to contract in 2013 |
| 19 | Merton Abbey | 2011/12 | Permanent Scheme to contract in 2013 |
| 20 | Poplar | 2012/13 (But not in 2013/14) | Permanent Scheme to contract in 2013 |
| 21 | Pelham | 2012/13 | Permanent Scheme to contract in 2013 |

Note – in various years The Priory, Bishop Gilpin, Beecholme and Garfield (3rd form of entry) have provided single year solutions to provide additional school places but permanent expansion is not currently planned. Garfield permanently expanded to 2 forms of entry from 2006 and so is not included in this table

- 2.27 Of the 21 permanent additional forms of entry being provided in 20 schools, 17 are currently rated good or outstanding by Ofsted, and 12 were 1 form of entry schools classed as 'small'. The schools have been expanded in the geographic areas where there is most need thus not increasing travel distance for local residents to attend school. Schemes have been carefully assessed and monitored by senior managers and by project managers to ensure affordability.
- 2.28 Officers have needed to keep demand under constant review to enable sufficient places to be provided and surplus to be kept to a reasonable minimum. This includes assessing admissions information including school preferences and residence location in relation to schools. As a result, it has been possible to operate to a very low surplus, generally of around 2-3%, yet increase the number of pupils obtaining places at higher preferences school. Previously the council operated to the traditional Audit Commission recommendation of 5-10% surplus places which is not affordable given the level of expansion required.
- 2.29 The number of expansion schemes to manage has been a major challenge for the council, requiring complex preliminary planning, consultation and engagement, design and procurement processes to be undertaken and project management of the delivery stage requiring careful stakeholder management, problem solving and robust relationships with contractors. While there have inevitably been many issues to resolve, this major programme of expansions has been undertaken effectively with schools and parents being highly satisfied with the expanded schools.
- 2.30 In July Cabinet approved that the council should enter into contracts for construction of seven expansion schemes at Cranmer, Hillcross, Merton Abbey, Pelham, Poplar, St. Mary's RC (phase 2), and Singlegate Primary Schools (phase 2). Following delays due to the legal complexities and subject to Cabinet approval in December, it is expected that the council will be able to contract for the expansion of Dundonald Primary School in spring 2014, thereby fully delivering the 21 forms of entry required, and in an area where there is some of the greatest pressure on places.

Primary places – future need and strategy

- 2.31 In implementing the strategy to provide sufficient and suitable places, officers have regularly refreshed planning assumptions based on GLA pupil projection data and local intelligence. At the time of writing this report, there are 64 (2.4%) vacancies in Merton's primary schools reception year; all applicants have been provided with a reasonable offer of a place though some have not currently accepted and are not of statutory school age. This again demonstrates that, to date, officers' planning has successfully ensured sufficient places across the sector, working to a small contingency for surplus places that allows little room for error.

2.32 The GLA pupil projection forecasts show a considerable increase in demand in reception year places up to 2017/18, showing that on the basis of the council having a total admission number of 2730 (the 21 forms of entry increase referred to in the above paragraphs) there will be a small deficit in 2014/15 increasing to 167 reception places in 2017/18 based on its standard model. With the inclusion of a necessary minimum 2% surplus allowance this would imply a further 7-8 forms of entry increase, making the total growth 28 to 29 forms of entry with the

greatest pressure on places being in Wimbledon and central Mitcham/Colliers Wood.

2.33 However, further local intelligence regarding recent admissions applications shows that this may be a slightly high forecast. The council also needs to take into consideration the potential impact on demand of the proposed new Park Community Free School likely to be sited on the Merton/Kingston border.

2.34 Given the lack of certainty for demand beyond the 21 forms of entry, and the fact that there are currently two schools with spare classrooms that could provide one extra reception class in an emergency, officers are adopting a prudent and cautious approach to planning for future expansions.

2.35 At this stage, therefore, officers are not progressing specific permanent school expansions beyond the 21 forms of entry committed and plan to use temporary provision if required until it is clear if and where any further permanent school expansion in the primary sector is needed for the long term. Officers will continue to keep need under careful review - via admissions data; further GLA modelling and intelligence on local housing development - with the cabinet member for education and schools.

2.36 It should be noted that any further significant housing development which has not already been included in planning assumptions could impact further on pupil place demand.

Secondary Places Strategy

2.37 There are 8 state funded mainstream secondary schools in LB Merton, 5 of which are maintained (of which two are Catholic Voluntary Aided Schools) and 3 are Academies.

2.38 Officers have been considering the future impact of the increasing demand in the primary sector on Merton's secondary school provision for some time. This has involved consultation with schools and governing bodies; examination of GLA pupil projection models; analysis of retention rates of pupils leaving primary and entering secondary provision; high level feasibility studies of existing secondary school sites and the commissioning of a site search to identify possible sites for new provision.

- 2.39 Medium term forecasting for secondary school provision should, in theory, be easier than for primary provision since cohorts of school pupils will be in the state school system for seven years before requiring secondary places. However, in practice, there are a number of variables which make planning for secondary school places extremely complex.
- 2.40 These factors include the fact that the secondary school population is inherently more mobile than in the primary sector; the attractiveness of types of education e.g. grammar and faith schools in neighbouring boroughs, and those boroughs' own plans for secondary provision. There have also been a significant number of approved secondary Free Schools (State funded schools directly approved and funded by the Department for Education) in south London which will add to the number of available places over the next few years. Changes to migration patterns and levels and location of housing development also need to be taken into consideration, and cannot be forecast with certainty.
- 2.41 All these factors may have significant impact on the transfer rates from primary to secondary school and demand overall and officers, therefore, need to take both a cautious and pragmatic approach to planning for secondary provision.
- 2.42 A summary of analysis of current admission numbers, numbers on roll and GLA pupil projection data is contained in background papers. This analysis suggests that demand for secondary school places will start to increase in 2014/15 with pressure on sufficiency of places beginning to be felt in 2015/16, with existing surplus places in the sector rapidly diminishing and total year 7 places needing to increase moderately at this time. The increase would then need to accelerate and there will be a significant increase in 2018/19. By the early 2020 the total increase is likely to be between 20 and 30 additional forms of entry in secondary provision compared to current admission numbers.
- 2.43 Following consultation with schools, the cabinet member for education and other cabinet colleagues, engagement with the secondary places scrutiny task group and discussions with education professionals within CSF Department, an outline 'direction of travel' to develop the strategy has been proposed and agreed.
- 2.44 Key elements of this direction of travel are:
- A phased approach is appropriate for secondary school expansion in Merton over the next ten years, subject to regular reviews of supply and demand, and decisions made to ensure that places are provided when there is a 'basic need' (overall shortfall in the area of supply of places)
 - The additional capacity required will be met through expansion of existing secondary schools and establishment of new provision.

- The initial phase will require schools to fill existing surplus places and the three academies to return to admission numbers set at the point of school re-organisation in the early 2000s. All secondary schools except the two Catholic School will, at that point, be 8 forms of entry (“FE”) (240 places per year).
- Further school expansion to complement the above to provide sufficient places, with the aim that schools should not be more than 10FE (300 places per year)
- Officers will progress the feasibility of a new school/school provision to assist in providing for the exceptional increase in demand in year 7 from September 2018.
- A second new school/provision would be implemented if it became clear in the latter half of this decade that the increase to provide basic need places will be at the higher end of the projections, and it is required to ensure that existing schools do not permanently provide for above 10FE.

2.45 To enable the direction of travel to lead to firm plans officers are progressing the feasibility of expanding existing schools, and additional sites for new provision. This is being undertaken as follows:

- High level studies have been completed to determine the feasibility of expanding all of Merton’s existing state funded secondary schools. This has enabled officers to write to all schools seeking their support for expansion on the basis of the parameters set out in [paragraph 2.44](#) above.
- A search for additional school sites has been undertaken by Capita Symonds. They were requested to look at all areas of the borough except Longthornton and Pollards Hill wards where it was clear that expansion of Harris Merton and St. Mark’s Academy would be able to provide for any increase in demand, with the first priority being Colliers Wood/North Mitcham on account that this is a high growth area without a secondary school currently in the vicinity. This study identified a small number of potential options, though all have complications. Over the next nine months more detailed work will be undertaken to determine the feasibility and practicality of sites identified in

the study , together with the responses from existing schools on expansion, and plans of neighbouring authorities.

SEN Places strategy

- 2.46 LB Merton caters for pupils with SEN (Special Educational Needs) through mainstream schools, specialist provision with mainstream schools (“additional resourced provision special schools, and use of independent provision. There are three maintained special schools, and three primary and three secondary schools providing specialist provision for pupils with ASD (autistic spectrum disorders) and SCLN (Speech, language and communication needs. There is also a Pupil Referral Unit (SMART centre) which operates under the same management as Melrose, our special school for pupils with emotional and behavioural difficulties.
- 2.47 The strategy in recent years has been to ensure this balance of provision is maintained in light of increased demand, and to ensure that, where possible, there is a reduced reliance on more expensive independent provision where it is not necessary. To this end the council has over the past five years:
- Provided suitable accommodation for pupils at Perseid School (for pupils with severe and complex learning difficulties) through a new secondary school site and a modest increase in capacity
 - Provided further early years and key stage 1 places at Perseid School to meet demand
 - Additional places at Cricket Green School (children with additional complex and varied needs) including 6th form provision to meet demand
 - Changed the designation of Garden School specialist provision to be for ASD
- 2.48 In order to provide for the increase in demand the following will be required over the next 10 years:
- Increase the capacity of Perseid lower school to 84 places by 2015/16, and to subsequently increase the capacity of the upper school thereafter to meet the higher cohorts of pupils
 - Further increase special school places for children with additional complex and varied needs
 - Increase the number of additional ASD places in specialist provision within mainstream school both in the primary and secondary school sector

Reports of Overview and Scrutiny Commission/Panels

- 2.49 The Children and Young People Scrutiny Panel undertook a task group review of the Provision of Secondary School Places as part of their 2012/13 work programme. The Task Group consisted of the following Members: Cllr James Holmes (Co-Chair), Peter Walker (Co-Chair), Akyigyina, Forbes and Dysart and Co-opted member Alison Jerrard, Secondary Headteacher Representative.
- 2.50 The Task Group aimed to support the Authority to meet the increased demand for secondary school places in the borough by exploring the projected demand, the financial resources required and potential income streams, the views of Secondary School Head Teachers, Youth Parliament and good practice in neighbouring local authorities.
- 2.51 Acknowledging that this is an area that does not have a simple solution, particularly in terms of land/site availability and resources required, the Task Group sought to identify a number of potential solutions and areas for further exploration in an attempt to move forward with preparations to cater for the projected demand for secondary school places.
- 2.52 The Final Report and recommendations of the Task Group were considered by Cabinet at their meeting on 11th November 2013. The Children and Young People Scrutiny Panel are due to receive an Executive Response and Action Plan at their meeting on 14 January 2013. This will detail the Cabinet's response and the actions it will take to implement the agreed recommendations.
- 2.53 The Panel also considered school places and the council's proposals for providing sufficient and suitable primary and special school places as part of its 2012/13 work programme and have continued to comment on proposals for primary and secondary school expansion as part of their 2013/14 work programme.

3 ALTERNATIVE OPTIONS

- 3.1 The council has a statutory duty to provide sufficient school places so, given the increase in demand, there is no alternative but to provide more places in the borough.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1 All plans implemented to date in respect of the provision of additional pupil places have been subject to consultation, some required in connection with statutory processes. This will also be the case for future plans to expand provision.

5 TIMETABLE

- 5.1 This report has detailed school expansion to date and the further expansion required through to the early 2020s.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

Capital

- 6.1 The cost to provide additional school places to ensure sufficient provision is substantial. The council has the statutory responsibility to provide sufficient places so is ultimately responsible for funding sufficient school places in its area but there is an expectation that there will be substantial assistance from central government grant from the Department for Education (DfE) and Section 106/CILL as appropriate.
- 6.2 To date, while DfE funding has been substantial, and was aided this year by LB Merton's highly successful Targeted Basic need bid over £15 million, the council is still paying substantial additional sums to fund the school expansion programme and now forms the major part of its overall programme.
- 6.3 The estimated expenditure required to meet the need outlined in this report is incorporated in the draft Capital Programme 2013-2018 that Cabinet agreed on 21 October 2013 for consideration by scrutiny in November. Estimated expenditure up to 2022/23 is also being built into the indicative capital programme.
- 6.4 It should be recognised that the DfE has not provided any indication of capital grant funding on school expansion beyond the 2014/15 financial year but approximately £8m pa has been assumed within the capital financing model and the MTFs Capital estimates for future years will also need to take into account construction inflation which, after four years of being virtually zero, has recently increased with the upturn in construction activity, and is forecast to increase further in the coming years.
- 6.5 As the strategy develops into specific schemes they will be subject to more detailed feasibility studies and design work with a view to obtaining best value for money and, together with external funding, will be reviewed in the normal way as part of the annual capital programme review process

Revenue

Expanding schools

- 6.6. The revenue impact to operate the larger schools will be funded through the Dedicated Schools Grant (DSG), which increases on the basis of additional pupils, although there is a delay in receiving the funding for the additional pupils and it is not retrospective. This is the position whichever school is expanded. The DSG is top-sliced to provide expanding primary schools £60,000 per class to fund revenue costs from September onwards. It is envisaged that a similar scheme will operate for secondary schools.

New schools

- 6.7 Under current legislation/regulations new legal entity school(s) would be either a free school(s) or academies, although this will complicate their revenue funding it will follow the same principles of any other school expansion.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1 The council has a duty under section 14 of the education act 1996 to secure that sufficient schools for providing primary and secondary education are available for its area. It must respond to any parental representations on the exercise of this duty.
- 7.2 Where a maintained school is to be permanently expanded, the council must first follow the statutory process for “prescribed alterations” to schools. One of the factors to be taken into account is the need for places and there is a presumption in favour of proposals to expand successful and popular schools to meet parental preference. The decision maker must also consider the effect on standards, including on other schools in the area and whether capital funds are available for the proposal to be implemented.
- 7.3 The council can propose a permanent increase in capacity for any type of maintained school, including foundation or voluntary schools but must follow the statutory procedure.
- 7.4 Temporary expansions of schools by the addition of a reception class as an exception to the normal published admission number or an increase in the published admission number would need to be agreed by the admission authority for the school.
- 7.5 Where there is not space to extend a school on its current site, consideration can be given to expansion elsewhere, creating a “split site” school. This may be more efficient than creating a new, very small school on a new site.
- 7.6 The legislation on new schools has been amended with effect from 1 February 2012 by the Education Act 2011. There is now a presumption that new publicly funded schools will be academies or free schools. The council would be required to transfer the site for a new academy to a new provider and provide capital funding for the new school.
- 7.7 The government is encouraging communities to propose new ‘free schools’ which have the same legal structure and requirements as academies. Free schools may be established in response to invitations for academy proposals by local authorities seeking to establish a new school or may be established through an annual application process under the government’s free school programme.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1 The school expansion programme will be considered in the light of equalities legislation, and will ensure that all children, including with special education needs, have access to a suitable school place.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1 There are no specific crime and disorder implications arising from this information report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1 There are no specific risk management or health and safety implications arising from this information report.

11 APPENDICES – the following documents are to be published with this report and form part of the report

N/A

12 BACKGROUND PAPERS

- 12.1 2013-16 Council Business Plan
12.2 Pupil Projection Data