

<b>Committee/Meeting:</b> Cabinet	<b>Date:</b> 4 <sup>th</sup> August 2010	<b>Classification:</b> Unrestricted	<b>Report No:</b>
<b>Report of:</b> Ann Sutcliffe, Development & Renewal Directorate, Service Head Building Schools for the Future, Ext 4077 (Secondary element)  Kate Bingham, Children, Schools and Families Directorate, Service Head Resources Ext (4811) (Primary element)		<b>Title:</b> Pupil Place Planning and School Estate Strategy  <b>Wards Affected: ALL</b>	

<b>Lead Member</b>	Cllr Shiria Khatun
<b>Community Plan Theme</b>	A Prosperous Community
<b>Strategic Priority</b>	<ul style="list-style-type: none"> <li>• 2.2: Strengthen and connect communities</li> <li>• 3.1: Support lifelong learning opportunities for all</li> </ul>

## 1. **SUMMARY**

- 1.1 This paper provides Members with an updated position on pupil projections for the next 10 years, at both primary and secondary school level, and acknowledges the need for the Council to put in place plans to address the statutory requirement to provide places for students.
- 1.2 In considering how to respond to this need, there is a requirement for the Council to identify the resources (both financial and assets) to create the new school provision that will be required over the next 10 years and beyond.
- 1.3 This paper is also supported by three appendices:
- Appendix 1 – profiling primary school places and projected need in both table and graph
  - Appendix 2 – profiling secondary school places and projected need in both table and graph
  - Appendix 3 – proposed estate strategy

## **2. DECISIONS REQUIRED**

Cabinet is recommended to:-

- 2.1 Acknowledge and comment upon the content of this report, noting that the population growth which it projects will have implications for wider Council and public services beyond statutory education provision;
- 2.2 Note that officers are continuing to develop feasibility studies for the provision of a new school(s) on Bow Lock and Southern Grove and agree that the outcome of these studies is reported back in December 2010;
- 2.3 Agree the strategy in response to the projected increasing demand for secondary school places beyond 2014/15, noting that this demand will exceed capacity in spite of the plan to provide a new 8 form entry (FE) secondary school;
- 2.4 Agree the strategy in response to the projected increasing demand for primary schools places up to 2020; and,
- 2.5 Instruct relevant Council officers to identify and shortlist suitable sites and associated resource for educational use, whether council or privately owned, to meet this demand and report on this by November 2010.

## **3. REASONS FOR THE DECISIONS**

- 3.1 The provision of school places is a statutory duty of the local authority. This paper seeks to secure Members support for the identification of sites in order to be able to provide school places for children at both primary and secondary level.
- 3.2 The authority needs to be able to confirm its strategy by the end of December 2010, to ensure adequate provision is in place for the projected growth of pupil places with primary need for September 2011 and beyond; and secondary places for September 2014.

## **4. ALTERNATIVE OPTIONS**

- 4.1 There are no alternative options for the Council to consider in the provision of school places.

## **5. BACKGROUND**

- 5.1 The Authority's Pupil Place Planning (PPP) statement, originally prepared in January 2008, identified that continued population growth within the borough will absorb existing surplus secondary school places reaching maximum

capacity by 2015. The statement confirmed that an additional 8 FE of secondary school capacity would be required by 2015 to meet the projected need. Capital funding allocated to the BSF programme had already been earmarked for the delivery of a new school to meet the first phase of identified need.

- 5.2 The Strategy team in the Children, Schools and Families Directorate has further developed these projections, which were contained within the previous PPP Statement, working closely with colleagues in Development and Renewal and AECOM, a specialist consultancy firm. This has led to a revised set of projections, contained within this report (see appendices 1 and 2), which have been informed by a combination of known birth rates and current school census data along with planned housing development, of an additional 36,000 homes in the borough. The new coalition government is reviewing all funding for social/affordable housing, which will determine the level of house building to be realised. This needs to be kept under review, as the number of homes drive part of the methodology that produces the pupil numbers.
- 5.3 The revised projections for population growth suggest that the school place requirements up to 2019/20 will significantly exceed those indicated in the earlier Pupil Place Planning statement both at primary and secondary level, and that current school place capacity will not be sufficient in the medium to long term. A strategy for further expansion of the school estate should therefore be developed to ensure that the borough is able to meet demand of statutory education provision.
- 5.4 This report has been prepared with a particular focus on ongoing delivery of education and the need to meet statutory school provision. The implications of pronounced population growth as suggested by this report will have wider reaching implications in relation to local social and physical infrastructure and effective provision of Council and other public services.
- 5.5 This report has been written in the context of the new Government's emerging education policy around Academies and the establishment of Free Schools (following the Swedish model).
- 5.6 In the context of pupil place planning, it is not anticipated that the change of character of existing schools into Academies or the creation of a free school, will significantly changed the profile of projected pupil place planning need.
- 5.7 The attached appendices provide further detail on the following:
- Appendix 1 – profiling primary school places and projected need in both table and graph
  - Appendix 2 – profiling secondary school places and projected need in both table and graph
  - Appendix 3 – proposed estate strategy

## **6. CURRENT ESTATE STRATEGY TO MEET DEMAND**

- 6.1 The authority has been for some time putting in place plans to expand primary school provision to meet rising need. There has been a recognition that in the longer term there will need to be new primary schools, but the first range of options considered are where possible to make best use of existing assets by expansion. It should be noted that Tower Hamlets has faced previous periods of growth in demand for primary places and some of the more straightforward options for expansion were dealt with at that time, as well as some new schools provided.
- 6.2 The longer term strategy for additional primary places will be developed in parallel with the Council's plans for wider development and regeneration including consideration of the development of secondary schools. The former Bromley Hall School site, owned by the Council, is a key option for further development – either for the site to be redeveloped as a new primary school or for the site to be part of wider regeneration transaction involving some form of a land swap of some kind. Appendix 1 sets out the profile for the primary pupil projections up to 2020.
- 6.3 As with primary provision, short term growth in demand for secondary places can be mitigated by expansion of the existing estate. A number of options for the secondary school estate have been considered and a further 4 FE could be provided by expanding current schools. A Council owned site to the east of the borough at Bow Lock has been identified for a new 9 FE secondary school, which includes the proposed relocation of Bow Boys School. Approval to further develop this site as a school will be subject to council approval at corporate level. The time requirement for these processes must be taken into account in planning the implementation of a new school. As noted within this report, a new school at Bow Lock will not meet the overall projected demand for additional secondary places and further work is being undertaken to detail the available options across the borough and map these against projected need.
- 6.4 Officers are currently completing the feasibility study on Bow Lock, with a particular focus on the infrastructure requirements with regard to safe access and egress for students, parents and staff. This scheme, including design development costs are being funded through the BSF programme.
- 6.5 Appendix 2 sets out the profile of need for the secondary pupil places up to 2020.
- 6.6 At present, the funding for the projected need is assumed to as follows: Building Schools for the Future is to fund 1 secondary school, Department of Education (DfE) – basic need funding for additional numbers and S106 contributions. In order for the Authority to respond to an unprecedented growth in pupil numbers at a time of central government budgets reducing presents significant challenges. However, as it is a statutory requirement for the Council to provide school places it may be necessary to look at the use of

Council own resources. A set out in the decisions, a further report will be brought to Members in December 2010.

## **7. COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 7.1 The strategy contained within this paper does have financial implications for the council, which range from the purchase of the necessary sites either via reimbursement of the HRA and through the loss of an opportunity sale value. In addition, to this initial cost, the Council may need to find additional funding to contribute towards the build cost, that either may need to be in place to top up DfE grant (basic need), BSF funding for a new secondary school, and/or in addition to any s106 funds.
- 7.2 The issues set out in this paper go to the heart of the financial challenges facing the Council in the forthcoming period. Whilst Government grants will be constrained by spending cuts designed to tackle the fiscal deficit, the Borough's population continues to grow. Capital grants from the Government, Section 106 contributions and capital receipts from the disposal of surplus assets are the most likely source of funding for capital investment in schools. In the Emergency Budget on 22<sup>nd</sup> June, the Chancellor announced that there would be no further cuts in capital spending by Government, although he did not set out priorities, and he did not exclude the Education Department from real terms cuts in revenue funding over the course of the next Parliament. Dedicated Schools Grant could therefore be affected by cuts. It is also important to realise that the borrowing costs of school building are not covered by the Dedicated Schools Grant, so the impact of any prudential borrowing could not easily be ring-fenced to the schools budget. The net result is that Councils could find difficulty in funding their school expansion programmes for the foreseeable future, and any unavoidable investment might need to be found by finding savings from other Council priority areas.
- 7.3 The cost of building a new primary school (2FE) may be in the range of £8-12m and a 1FE expansion approximately £5.5m. A secondary school is anticipated to be in the range of £26-30m. These estimates do not include the acquisition of the land.
- 7.4 If it is necessary for the Council to secure land for the provision of new schools outside of its ownership, there will be the need to CPO the land with the associated costs attached to that process. The feasibility costs of developing a new secondary school are currently being incurred as part of the Building Schools for the Future programme, being met from BSF capital resources. As with all the other BSF projects, if the feasibility and development works do not result in a capital project, they are liable to be written off against revenue.

## **8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)**

- 8.1 In creating the provision of new school places, other than through expansion, it should be noted that the new school created would be subject to a competition, which the authority would run. The Authority's strategy is to expand out popular schools to provide the additional places that are required. The competition process allows interested parties, including Academy sponsors, the opportunity to put forward proposals for the establishment and the running of the school. This is applicable to both primary and secondary education establishments. Statutory guidance sets out the competition process which takes about 13 months to complete. The initial consultation period is a minimum of six weeks after which an invitation to be bid can be issued. A 17 week period then follows in which bidders prepare and issue bids and further consultation is undertaken. A public proposal is then issued to promote awareness and a public meeting would be held. A six week period is then set aside to allow any public comments or objections. The Local Authority then has six weeks to make a decision.

## **9. ONE TOWER HAMLETS CONSIDERATIONS**

- 9.1 The Council has a statutory duty to provide school places and to ensure that all parents and students have access to good schools is at the heart of One Tower Hamlets. Tower Hamlets currently has one of the highest rates for parents obtaining their first choice school, this currently sits at 94%, compared to adjacent borough average of 85%.
- 9.2 Ensuring our parents and students obtain access to good and outstanding schools is critical to securing the right level of education/training and qualifications to break cycles of poverty and gain the appropriate skills to secure good employment or continued training opportunities.
- 9.3 In addition, new and continued investment in our schools ensures that as an authority we are able to recruit and retain the best teachers to support the delivery of the highest quality education service.
- 9.4 As hubs of the communities they serve, our schools promote cohesion through the provision of community space. They also offer opportunities for parents and extended families to support the delivery of education, as well as accessing learning for themselves.

## **10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 10.1 Any new buildings will need to be delivered within the context of sustainable design, including meeting the targets as set out in the Building Research Establishment Environmental Assessment Method (BREEM). All new buildings need to meet the excellent target, with remodelled/refurbishment meeting very good.

## **11. RISK MANAGEMENT IMPLICATIONS**

- 11.1 A formal risk register is maintained for the BSF programme and reviewed by the Strategic Partnership Board on a monthly basis. The delivery of the PPP strategy will be incorporated within this risk register.
- 11.2 All key programme and strategic risks are regularly reviewed with identification of appropriate mitigating actions that are required.

**12. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 12.1 All schemes will be subject to secure by design advisor as part of the pre application planning meetings with all key recommendations being incorporated into the schemes.

**13. EFFICIENCY STATEMENT**

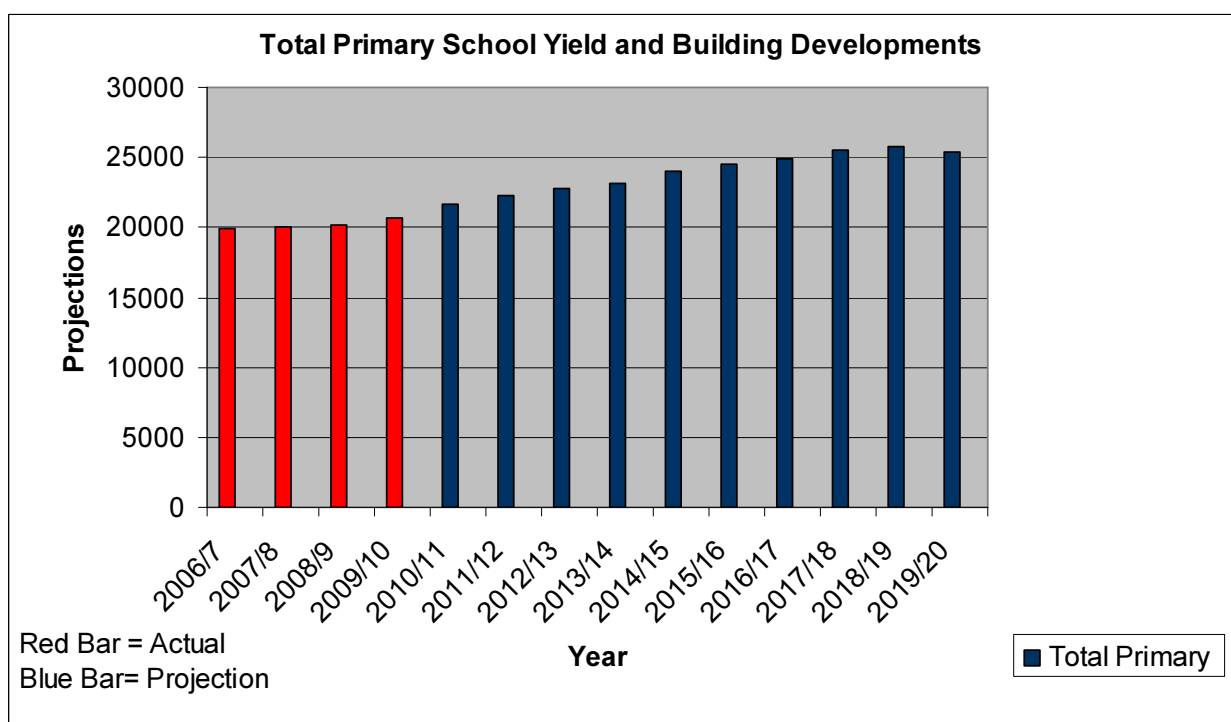
- 13.1 The intention is to maximise the use of existing school facilities and expand as necessary, and then create new schools. It is intended to use the LEP to procure the new facilities, and this provides further efficiencies in terms of timescales and procurement costs.

## 14. APPENDICES

### Appendix 1 – PRIMARY SCHOOL PROJECTIONS

#### Overall primary

The overall picture is of the total roll increasing from the 2008/09 total of 20,161 (672 FE) to a projected total roll of 25,439 (847.9 FE) by the 2019/20 school year, an additional 5,278 places (175.9 FE). Within that the projected 4 year old cohort is expected to rise from the 2008-09 actual roll number of 3,163 (105 FE) to 3,473 (115.7 FE) by the 2019-20 school year, an additional 310 pupils (or 10% increase).

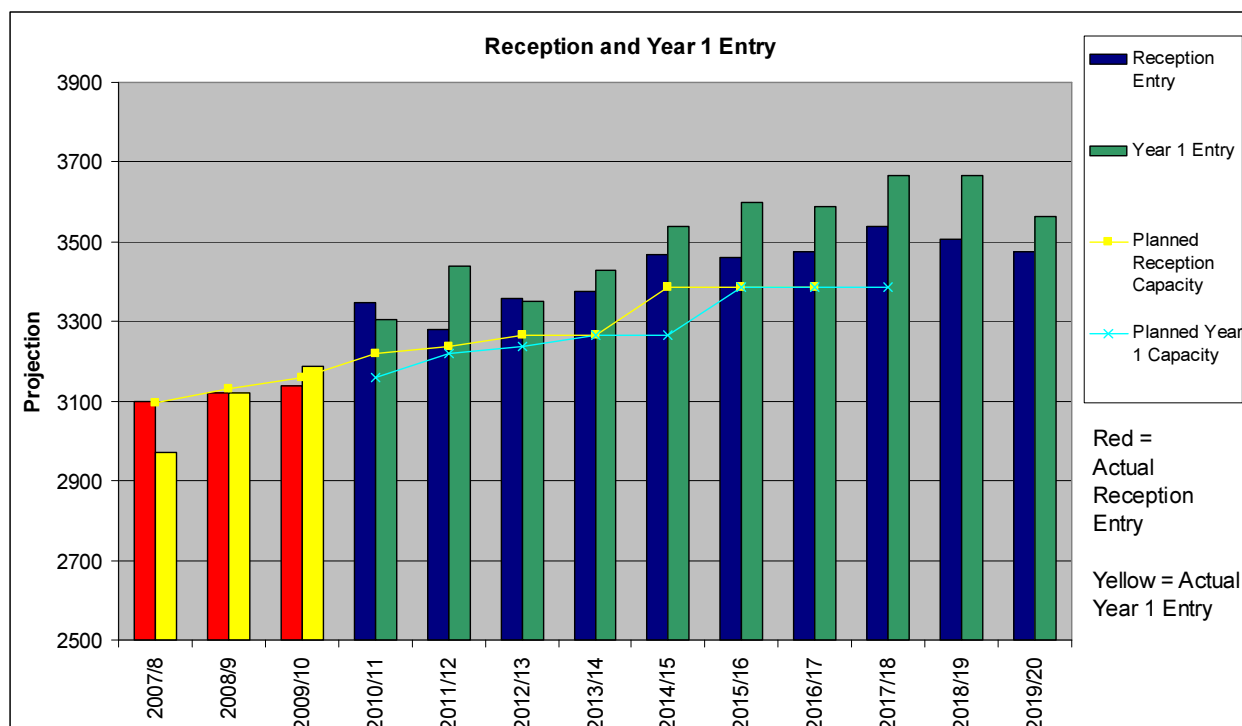


	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Projections	21718	22344	22824	23167	24015	24515	24908	25541	25740	25439
FE	723.9	744.8	760.8	772.2	800.5	817.1	830.2	851.3	858	847.9



## Reception year

**An increase is projected in 2010 for Reception Year places.** This is due to an increase in births four years earlier in 2006 when the number of births increased from 3,968 to 4,178 (an additional 210 births). Assuming the 2009 transfer ratio (average of the last three years) this equates to an additional 185 four year olds in the 2010/11 school year requiring school places. Early indications from our admissions section show 3,261 reception year applications for the 2010/11 school year, an additional 98 four year olds.



Reception	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Projections	3348	3281	3358	3374	3466	3459	3474	3540	3505	3473
Capacity	3221	3236	3266	3266	3386	3386	3386			
Variance	-127	-45	-92	-108	-80	-73	-88			
Projected FE Shortfall	-4.2	-1.5	-3	-3.6	-3	-2.5	-3			

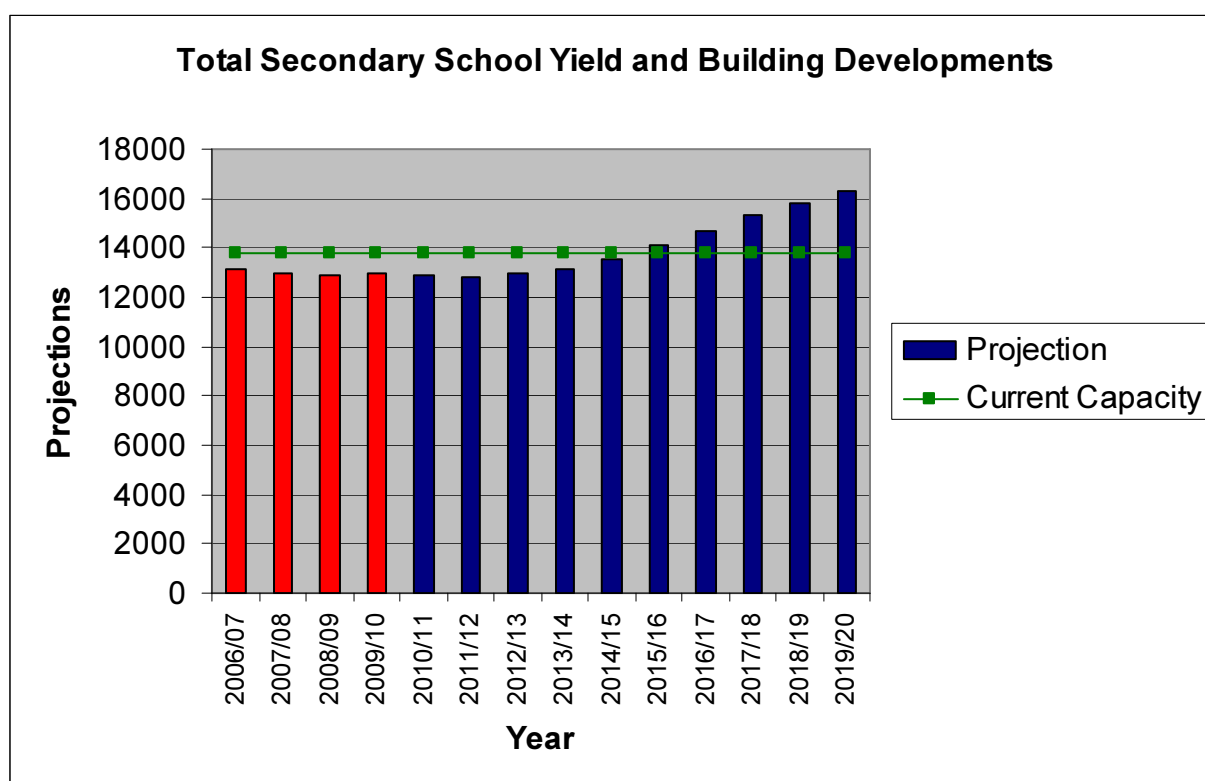
**Please note that the capacity figures in this table do not take full account of all the planned expansions and additional provision to address growth.**

## Appendix 2 – SECONDARY SCHOOL PROJECTIONS

### Overall secondary

Secondary roll projections are set out below. Overall this shows an increase in 11-15 roll projections from the 2009/10 roll number of 12,987 (432.9 FE) to 16,314 (543.8 FE) by 2020, an additional 3,327 pupils (110.9 FE). Large increases are anticipated year-on-year from 2014, which corresponds with an increasing actual birth rate and the cumulative effect on the cohorts from over 27,000 new homes being built between 2014 and 2020.

The increased number of births and the impact of housing development has already started to affect demand for primary school places across the borough and London as a whole. **It is anticipated that there will be a delay until this starts to impact on secondary schools from 2014 onwards.** The increases then continue significantly as more of the large primary cohorts move through to secondary school added to the compound effect of the additional building developments, which also peak between 2013 and 2018.

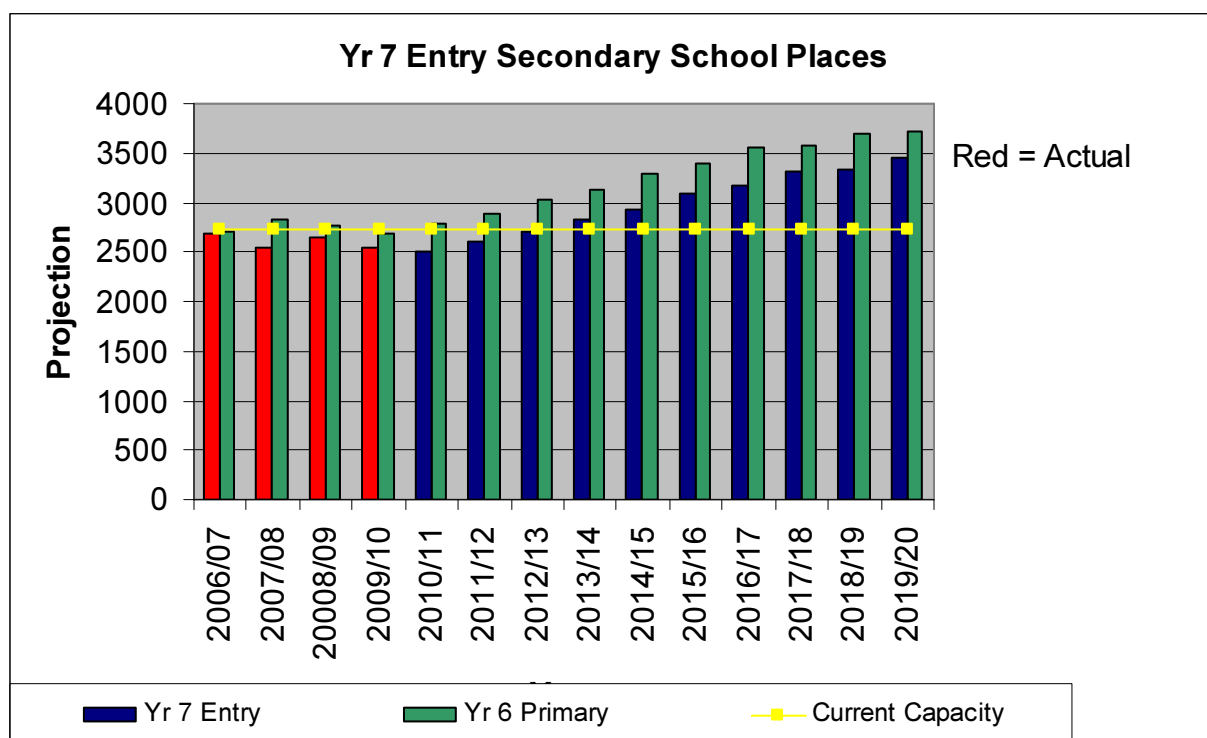


	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Projections	12912	12822	12944	13135	13524	14102	14675	15289	15796	16314
FE	430.4	427.4	431.4	437.8	450.8	470	489.1	509.6	526.5	543.8

## Year 7

The year 7 cohort is expected to rise from the 2009/10 Census result of 2,547 (84.9 FE) to 3,454(115.1 FE) by 2020, an additional 907 pupils (30.2 FE).

Final Spring 2010 Census results show 2,547 year 7 pupils – reducing to 2,526 excluding special schools and dual registered pupils. This projection indicates that the current capacity of year 7 places at 2,735 will be exceeded in 2013-14 when 2,834 pupils are projected. The graph below illustrates the roll projections against capacity.



	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Projections	2502	2598	2706	2834	2932	3082	3173	3323	3343	3454
Capacity	2735	2735	2735	2735	2735	2735	2735	2735	2735	2735
Variance	+233	+137	+29	-99	-197	-347	-438	-588	-608	-719
Projected FE Shortfall	+7.8	+4.6	+1	-3.3	-6.6	-11.6	-14.6	-19.6	-20.3	-24

**NB. Includes reduced capacity at Bow Boys School from September 2010.**

### Appendix 3 – Proposed Estate Strategy

#### Pupil Place Planning – meeting additional need 2010-20 June 2010

#### Reception

Academic year	Projected FE Shortfall *	Plans to meet additional need	Proposals	Financial and planning implications
2010-11	-4.2	Arnhem Wharf and Marners expansions implemented (2FE) included in capacity Additional bulge classes in preparation (+2FE)	Current 2010/11 Reception class applications indicate an additional shortfall of 1FE. Options for a further bulge class are currently being explored as a contingency for the additional projected 1FE.	
2011-12	-1.5	Expansion of Wellington included in capacity (0.5FE)	Feasibility appraisals of 9 further primary school expansion projects are at various stages of action, with various other options identified which could also be investigated if required. These sites are predominantly in the east and central area of the borough. These options include both voluntary aided (faith) and community schools	Proposals will be developed to confirm a programme for implementation in line with 2011/12 funding allocations
2012-13	-3	Expansion of Culloden included in capacity (+1FE)		£45m – is the likely scale of costs assuming an average of £5.5m per form of permanent expansion
2013-14	-3.6			
2014-15	-3	Expansion of Woolmore (2FE) and Bromley by	Further work is being undertaken with Directorate of D&R to	Development and acquisition costs for new school sites to be

Academic year	Projected FE Shortfall *	Plans to meet additional need	Proposals	Financial and planning implications
		Bow new school implemented (2FE) included in capacity	identify site options	determined.  Woolmore £11m (part of Blackwall Reach development – development timetable to be determined, subject to procurement of development partner)  Bromley by Bow new school – site to be transferred on completion of new Tesco store. Development costs c £12m. Opening a new school will be subject to competition process.
2015-16	-2.5			
2016-17	-3			
2017-18	-			
2018-19	-			
2019-20	-			

\* Between projection and capacity

Projections of need beyond 2015/16 will be subject to review and adjustment and may vary depending on the birth rate and the rate of new housing development.

## Year 7

Academic year	Projected FE Shortfall *	Plans to meet additional need	Proposals (including starting on site)Note:I think we should identify the plans that might generate a competition	Budget
2010-11	+7.8			
2011-12	+4.6			
2012-13	+1			
2013-14	-3.3	Stepney Green, Mulberry, and Langdon Park	April 2011(contained within BSF funding for new school**)	
2014-15	-6.6	New School and the relocation of Bow Boys	Jan 2012 (as above**)	Capital costs up to £36m Land costs – TBA
2015-16	-11.6	New Site (will need to be agreed and identified by January 2011.	Will need to be on site by August-December 2012 (funding will need to be identified, currently logged as part of the authority's own capital programme)	Capital costs up to £36m, though there should be some funding from DfE. Land costs - TBA
2016-17	-14.6			
2017-18	-19.6			
2018-19	-20.3			
2019-20	-24			

\* Between projection and capacity

\*\*funding still to be approved either as FBC or OBC for new school.

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**Local Government Act, 1972 Section 100D (As amended)**  
**List of “Background Papers” used in the preparation of this report**

Brief description of “background papers”      Name and telephone number of holder  
and address where open to inspection.

**To be completed by author**

**To be completed by author ext. xxx**

*Report authors should refer to the section of the report writing guide which relates to Background Papers when completing this section. Please note that any documents listed in this section may be disclosed for public inspection. Report authors must check with Legal Services before listing any document as ‘background papers’.*