


Cabinet	 TOWER HAMLETS
28 November 2018	
Report of: Debbie Jones, Corporate Director, Children's Services	Classification: Unrestricted
Planning for School Places – 2018/19 Review and Recommendations	

Lead Member	Councillor Danny Hassell, Cabinet Member for Children, Schools and Young People
Originating Officer(s)	Terry Bryan, Head of Pupil Services and School Sufficiency
Wards affected	All wards
Key Decision?	Yes
Forward Plan Notice Published	28 August 2018
Reason for Key Decision	To be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority.
Strategic Plan Priority / Outcome	Children and young people are protected so they get the best start in life and can realise their potential

Executive Summary

This report is the annual review of planning for school places. It explains the current position, projected demand, and actions to increase and reorganise school provision to ensure the right provision is in the right place at the right time.

It also explains the Local Authority's approach to the development of sites for new schools to ensure school sufficiency, promote parental preference and make significant improvement to the existing education estate. This is in line with the council's approach in the emerging Local Plan that proposes the allocation of 9 primary and 5 secondary school site allocations. The Local Education Authority considers the allocation of these sites necessary for it to be confident that it has enough sites available to meet the needs identified in this report and potential needs in the medium to long term.

The report also explains how the Council will seek to fund its plan for additional school places and the various options for the Local Authority when working with the community and central government on the appointment of a new school provider.

RECOMMENDATIONS:

This report is the annual review of planning for school places. It sets out the projections over the Local Plan period (to 2030/31), the additional capacity required, and the plans in place (and in development) to meet the needs of children and young people in Tower Hamlets.

The Mayor in Cabinet is recommended to:

- note the current position on the projected need for school places;
- agree the proposals for specific schemes to increase school places i.e.:
 - the development of a new secondary school on the London Dock site for opening in September 2022;
- note the progress of plans to rationalise the primary school provision in areas of the borough where there is a significant surplus;
- note the progress made in relation to:
 - The development of a new primary school at Wood Wharf on the Isle of Dogs.
 - The development of a new secondary school at Westferry Printworks on the Isle of Dogs.
 - The expansion of Phoenix Special School on the site of the former Bow Boys Secondary School at Paton Close, E3 and the planned enlargement of Beatrice Tate Special School.
 - The plans and options for future school developments in the East to meet the anticipated need for additional places.
- agree the funding for the development of the new schools as outlined in paragraph 3.46;
- note the options for the commissioning of a school provider when a new school is to be established; and
- note that this report sets out the Council's plan to exercise its Education functions, not its functions as a Local Planning Authority (LPA). It aligns with the LPA stance at the Local Plan Examination in Public, particularly on the plan to retain the current allocation of school sites.

1. REASONS FOR THE DECISIONS

- 1.1 The council has a statutory duty to provide and plan for sufficient, high quality and appropriate schools, which are accessible to all children in the local community and are available when they are needed.
- 1.2 Proposals to provide school places often require long-term planning to implement (e.g. opening a new school). Evidence about the projected need for places must therefore be reviewed regularly so that decisions can be made in time. Where a decision is not made in time, short-term measures (e.g. bulge classes) must be implemented to ensure that all children can be offered a school place.

2. ALTERNATIVE OPTIONS

- 2.1 Notwithstanding the duty on the council to provide sufficient schools, there is a further statutory provision that enables school places to be created by organisations applying to establish new schools through the central government free schools programme. This programme operates separately to arrangements within local authorities. However, changes in national strategy now mean that these schools will be targeted in the third of local authority areas with the lowest school performance standards and with limited capacity to improve. The current position in Tower Hamlets means that it is unlikely that the Secretary of State will approve any new applications to open mainstream free schools in the borough through the central route.
- 2.2 In cases where the council is not able to ensure new schools are established when needed, short-term measures to provide additional places in the form of bulge classes at existing schools or expansions into temporary buildings may be required. Although these measures will address capacity issues in the short-term, they do not provide best value and are not viewed as a sustainable approach to meeting an increased demand for school places.

3. DETAILS OF THE REPORT

Context

- 3.1 The demand for school places is driven by population growth and the borough's housing development. Over the past decade, the population of Tower Hamlets grew faster than any other local authority in the UK. Between 2007 and 2017, the population grew by 37% compared with a rise of 15% in Greater London and 8% in England. The borough's population growth will continue as a result of planned housing developments. Over the next five years, over 21k new homes are expected to be delivered in Tower Hamlets.
- 3.2 To meet the needs of this growing population, the council has a statutory duty to provide and plan for sufficient, high quality and appropriate schools, which are accessible to all children in the local community and are available when they are needed.
- 3.3 However, there has been rapid change in the demographics of Tower Hamlets which has made projecting the need for school places more complex. For example, although the number of residents has grown by 37% over the past decade, the number of births only grew by 11%. Migration data also indicates that families with young children are increasingly leaving Tower Hamlets and London more widely. These trends are likely driven by the cost of housing and welfare reform, among other factors. Demographic change has meant that the pupil population has not grown as quickly as anticipated, and that there is a significant surplus of primary school places in some areas of the borough.
- 3.4 In addition to its duty to provide appropriate school provision in the right place at the right time, the Local Authority (LA) is also responsible for managing the local school estate efficiently and effectively. In areas where there is an excess of unfilled school places that are not needed to meet the forecasted

demand, the Department for Education (DfE) expects the LA to take appropriate action.

- 3.5 The education landscape has also become more complex in recent years. The LA increasingly has to work together with schools and other partners to deliver additional school places. The borough's state-funded (i.e. non fee-paying) school provision is made up of community schools (operated by the LA), voluntary-aided schools (church schools), academies and free schools. The current position in each school sector is outlined below.
- 3.6 Finally, it should be noted that whilst every effort has been made to ensure that the pupil projections presented in this report are robust, projections can be volatile, particularly in the medium to long term (e.g. more than five years into the future). Projections rely heavily on information about historical trends (e.g. births, migration), which makes them less reliable in times of significant demographic change. Brexit will undoubtedly impact the economy and migration patterns, making this a particularly uncertain time for population and pupil projections in Tower Hamlets, and indeed the rest of London and the UK.

Primary Schools

(a) Current Position

- 3.7 There are currently 71 mainstream primary schools in the borough. These schools offer a total of 3,750 places in the Reception year, and 26,250 school places across all years from Reception to Year 6.
- 3.8 There are six school catchment areas for admission to Tower Hamlets community primary schools (see Appendix 2 for a map of catchment areas). These arrangements provide for each area to have enough schools to ensure that all children have equal and fair access to a place. This also supports the Mayor and Council's aim to provide local schools for local children.
- 3.9 The demand for primary school places has not grown in line with the borough's population. While there were 3,528 pupils in Reception in 2016/17, this fell to 3,353 in 2017/18 – about the same number of pupils as four years earlier in 2013/14.
- 3.10 This has been driven by demographic change in the borough. For example, the average number of children a female resident in Tower Hamlets is expected to have (known as the total fertility rate) fell from 1.80 children in 2007 to 1.39 children in 2017. Fertility rates in Tower Hamlets are now below both the Inner London (1.45) and Greater London (1.70) averages.
- 3.11 At the same time, the LA has undergone a significant programme of primary school expansions to ensure that there was adequate provision to address the forecasted population growth identified in the pan-London Greater London Authority (GLA) projections. The recent and unanticipated change in demographic trends has resulted in a significant surplus of primary school places in the borough overall. In September 2018, the percentage of surplus places in Reception was 12%, whilst it is generally recommended that local authorities in urban areas operate on a basis of no more than a 5% surplus. School roll projections indicate that Reception numbers will fall further before

rising again slowly, increasing the borough surplus of places to around 14% over the next few years.

- 3.12 However, there is a stark contrast between areas in the West and the East of the borough. Primary school catchment areas in the West have experienced a decline in Reception rolls over the past five years (Stepney -6%, Wapping -10%, Bethnal Green -14%). On the other hand, catchment areas in the East have seen increases (Bow +2%, Isle of Dogs +12%, Poplar +13%). Projections indicate rolls will continue to fall in the West with much of the borough's housing development and population growth concentrated in the East, particularly in the Isle of Dogs.

(b) Need for 5-6 primary schools in the East, alongside the need to reduce the surplus in the West

- 3.13 If current trends continue, by 2023/24 an additional 2 forms of entry (FE) are projected to be required in the Isle of Dogs catchment area and capacity will be reached in the Poplar catchment area. By 2030/31 (the end of the Local Plan period), 7FE are projected to be required in the Isle of Dogs and a further 4FE are expected to be required in Poplar. This equates to an additional 5 to 6 primary schools required in the East of the borough by 2030/31. See Appendix 1 for detailed projections and an explanation of the methodology. Appendix 2 provides a map of the primary school catchment areas.
- 3.14 In contrast to the position in the East, the number of surplus places in the West of the borough is expected to increase. Across the three primary school catchment areas in the West (Bethnal Green, Wapping and Stepney) the overall surplus of reception places is projected to grow from 9FE in 2017/18 to 13FE in 2023/24 and beyond, equivalent to around 6 to 7 primary schools.

(c) Actions to address the Need for Primary Places in the East

- 3.15 Overall the emerging Local Plan allocates 9 primary school sites to meet the current projected need for 5-6 new schools. The Local Education Authority supports this approach as it provides the necessary options, flexibility required to manage risk relating to site deliverability and ensures the Council is confident it can meet its legal duty as an education provider, particularly in the medium to long term. The rationale for this is set out further in Appendix 3.
- 3.16 There are three primary school site allocations which have already been secured through planning permission:

School / Site	Action	Decision Required
Wood Wharf	Site allocation with planning permission for a 2FE primary school in north Isle of Dogs, on the border of the Isle of Dogs and Poplar catchment areas. School planned to open in Sept 2022. The developer (Canary Wharf Group) is providing the shell and core of the school. Cabinet agreed (on 31 October 2017) to enter into an Agreement for Lease and approved £5m of capital funding to fit out the school. LBTH is now	No decision required. Cabinet to note current position.

	finalising the design and deciding on the process for determining the school provider, which will need to consider options arising from the outcome of the current review of primary school provision.	
Marsh Wall West	Site allocation for a 2FE primary school in the Isle of Dogs catchment. Planning permission granted by the Mayor of London. Currently in discussions with the developer about the design of the school and the CIL in-kind agreement. Indicative timescale for delivery in September 2023.	No decision required. Cabinet to note current position
Millharbour	Site allocation with planning permission for a 2FE primary school in the Isle of Dogs catchment. Indicative timescale for delivery in September 2023.	No decision required. Cabinet to note current position.

3.17 The emerging Local Plan identifies a further 6 sites for primary schools in the Isle of Dogs and Poplar catchment areas (see Appendix 2 for a map of site allocations).

School / Site	Status	Decision required
Crossharbour	Site allocation for a 2FE primary school in the Isle of Dogs catchment. Currently in pre-app discussions with the developer who are proposing the option of a 3FE primary school but details have not been confirmed. No indicative timescales for delivery on the site.	No decision required. Cabinet to note current position.
Ailsa Street	Site allocation with planning permission for a 2FE primary school on the site of the old Bromley Hall school, in Poplar catchment. The site is owned by LBTH. Cabinet agreed (on 31 October 2017) to defer the delivery of the school until demand in the area rose sufficiently to justify a new school. There will also be the necessity to ensure that the air quality on the site is of the required standard before the development can proceed.	No decision required. Cabinet to note current position.
Limeharbour	Site allocation for a 2FE primary school in the Isle of Dogs catchment. A planning application has now been submitted for this development, however the timescales for delivery have not been determined.	No decision required. Cabinet to note current position.
Reuters	Site allocation for a 2FE primary school in the Poplar catchment. No indicative	No decision required. Cabinet to note

	timescales for delivery on the site.	current position.
Marsh Wall East	Site allocation for a 2FE primary school in the Isle of Dogs catchment. No indicative timescales for delivery on the site.	No decision required. Cabinet to note current position.
Millharbour South	Site allocation for a 2FE primary school in the Isle of Dogs catchment. No indicative timescales for delivery on the site.	No decision required. Cabinet to note current position.

(d) Action to address Surplus of Primary School Places in the West

- 3.18 The LA is currently undertaking a review of primary school places to address the geographic imbalance and oversupply in the West of the borough. It is therefore working together with school leaders to develop solutions that will maximise the use of reducing resources, ensure financial sustainability, and maintain educational standards. The review is being overseen by an advisory group of key stakeholders, including head teachers, diocesan board representatives, the Council of Mosques, the Greater London Authority (GLA), the office of the Regional Schools Commissioner, Tower Hamlets Education Partnership (THEP) and the early years sector.
- 3.19 The review has now progressed to the stage where the LA and advisory group have identified a number of primary schools in the Bethnal Green, Stepney and Wapping catchment areas that are in scope for reorganisation. The LA has since met with the headteachers and chairs of governors of these schools individually to discuss the findings from the review and to seek their views on the current position.
- 3.20 The LA and leaders of schools in scope have now agreed to undertake a thorough assessment and analysis of the various possible options, including formal collaborations (such as federations and amalgamations) and the potential for relocation to one of the new sites in the East of the borough where additional places are needed. This phase of work is being supported by an independent consultant with the aim of enabling schools to work individually and collectively to develop robust plans for their sustainability in the short, medium and long term. These plans, collectively, will feed into the strategic planning for Tower Hamlets as part of its School Organisation and School Improvement Plan.
- 3.21 Once the planned feasibility work has been undertaken and the review is complete, recommendations will be presented to Cabinet at the start of the 2019/20 school year. There will then follow a process of public consultation to determine a set of school organisation plans that can be implemented from as early as the 2020/21 school year.

Secondary Schools

(a) Current Position

- 3.22 There are currently 18 mainstream secondary schools in the borough. These schools offer a total of 3,233 places in Year 7, and 16,165 school places across Years 7 to 11. However, one existing school is proposing to reduce its Published Admission Number (PAN) and a small number of schools are subject to DfE reviews concerning their long term viability. This could reduce the supply of secondary places in existing schools in the medium-term.
- 3.23 The demand for secondary places has increased in line with the historical rise in primary school rolls. The number of pupils in Year 7 increased from 2,595 in 2012/13 to 2,956 in 2017/18, a 14% increase over the past five years.

(b) The Need for Additional Secondary School Places

- 3.24 The latest round of projections indicates that the demand for secondary school places will continue to increase and that demand will outstrip the current supply by 2020/21. Demand for secondary school places is then projected to peak in 2022/23 when the borough is expected to have a shortfall of around 6FE, requiring the delivery of an additional secondary school. After this, the demand for secondary places is expected to fall slightly, mirroring the current position in primary places, before beginning to rise again in 2028/29.
- 3.25 It should be noted that the current round of secondary pupil projections are significantly lower than those reported in previous years. This is mainly due to the mid-year population estimates from the Office for National Statistics over-estimating the child population in previous years. Appropriate adjustments have been made in the latest round of projections, but the GLA recognises that the model will need further adjustment. It is therefore consulting with the DfE and London boroughs to determine how best to address these data quality issues. This means that there are likely to be further modifications to the projections model. This could result in further fluctuations in the secondary pupil projections in the 2019 Round and adds an additional level of uncertainty.

(c) Action to address shortfall

- 3.26 Overall the emerging Local Plan allocates 5 secondary school sites to meet the current projected need for 1 new school. The Local Education Authority supports this approach as it provides the necessary options, flexibility required to manage risk relating to site deliverability and ensures the Council is confident it can meet its legal duty as an education provider, particularly in the medium to long term. The rationale for this is set out further in Appendix 3.
- 3.27 The council has agreed plans to temporarily increase capacities (through 'bulge classes') at existing secondary schools to address the initial shortfall in 2020/21 until additional secondary provision can be delivered.
- 3.28 To meet the projected demand for 2022 and beyond, there are currently two sites (see table below) with planning permission for a secondary school. The LA proposes to progress both of these sites to meet both the future demand and allow for a reasonable level of surplus that will:

- enable parental preference and improve access for children in certain areas of the borough;
- mitigate against future changes in capacity - as a result of reductions, amalgamations/closure of any existing schools;
- provide opportunity to improve existing accommodation to enable high quality teaching environments and improved school performance;
- enable the LA to develop provision which supports the new SEND strategy, particularly mainstream schools with a purpose-built facility to meet the need for specialist and/or alternative provision for children with additional needs;
- safeguard against future fluctuations in the pupil projections; and
- ensure that the LA is able to fulfil its statutory duty to provide sufficient school places.

It also important to consider that if the LA does not take up its time-limited option to take forward these sites, it is unlikely that additional sites large enough to accommodate a secondary school would come forward in these strategic areas in future.

School / Site	Action	Decision Required
Westferry Printworks	Site allocation for a 6FE secondary school with planning permission, located in the Isle of Dogs. Cabinet agreed (on 19 September 2017) to progress the development of the school. The LA will continue to progress the development of the school and appoint a school provider.	No decision required. Cabinet to note current position.
London Dock	Site allocation for a 6FE secondary school with outline planning permission, located in Wapping. Cabinet agreed (on 19 September 2017) to defer the development of the school. The LA proposes to now progress the development of the school and appoint a school provider, in view of the latest round of school projections and the circumstances set out in para 3.28 above.	YES. Cabinet to agree proposal to develop new secondary school for opening in 2022.

3.29 The emerging Local Plan identifies these 2 sites and a further 3 site allocations for secondary schools (see Appendix 2 for a map of site allocations):

School / Site	Action	Decision required
Leven Road Gas Works	Council in negotiation with the developers to safeguard the space for a period of 10-15 years – to enable it to take up the option for a school through the S106 agreement.	No decision required. Cabinet to note current position.
Bow Common Gas Works	Site allocation for a 6FE secondary school. No indicative timescales for delivery on the site.	No decision required. Cabinet to note current position.
Billingsgate Market	This site has been allocated for a 6FE secondary school and is co-owned by LBTH and the City of London Corporation. No indicative timescales for delivery on the site.	No decision required. Cabinet to note current position.

3.30 The approach taken in the emerging Local Plan to provide five site allocations for secondary schools ensures that the LA is able to effectively plan for school places, taking account of the following factors:

- The current round of secondary pupil projections is lower than those reported in previous years and the LA needs to consider that there is likely to be further fluctuation.
- There are limited opportunities to develop sites for new secondary schools, and it is likely that these opportunities will become even more limited in future Local Plans given the scarcity of land in the borough.
- Emerging evidence suggests there will be a need to provide additional sites for specialist provision for secondary-aged children with complex needs, including post-16. This is further explained in the section on Specialist Provision below.
- The LA needs to take every opportunity to look at ways in which it can improve its education estate and thereby continue to provide high quality education.

(d) 14 - 25 Review

3.31 A number of earlier decisions enabling the addition or expansion of sixth forms have led to an over-supply of post-16 provision in the secondary school sector. There is therefore a need to review the number of sixth form places in secondary schools to ensure that it is appropriate going forward.

3.32 The LA has therefore commissioned a review of its post-16 provision as part of the development of the Council's 14-25 strategy. This review will include a

detailed assessment of the sufficiency, suitability, supply and the location of post-16 provisions within the borough. This will inform the strategy for school place planning and an update will be given in next year's Cabinet report.

Specialist Provision (Special Schools, Resource Bases and Alternative Provision)

(a) Current Position

- 3.33 Tower Hamlets has high demand for provision for children with special educational needs as evidenced by it being the borough with the highest proportion of pupils with Education Health and Care (EHC) Plans in London, and the third highest in England. In 2018, 4.4% of pupils in Tower Hamlets have an EHC Plan compared with an average of 3.0% in Inner London, 3.0% in Greater London, and 2.9% in England.
- 3.34 The proportion of pupils with EHC Plans in the borough has also risen over the past decade. In 2008, 3.3% of borough pupils had EHC Plans compared with 4.4% in 2018. However, this proportion has remained relatively stable in London and the country as a whole.
- 3.35 A significant proportion of children with EHC Plans will have a complex special educational need or disability that require their needs be met in special schools or resourced provisions set up as dedicated environments within mainstream schools. There are currently 6 special schools, 7 resource bases within mainstream schools and two alternative provision centres. These provisions are now reaching capacity with few options remaining to create additional places in existing accommodation.

(b) Need for Additional Specialist Places

- 3.36 If current trends continue, projections indicate that the number of pupils with EHC Plans in Tower Hamlets will increase from 2,280 in 2016/17 to around 3,360 in 2026/27 – an increase of 48% over a ten year period.
- 3.37 Projections also indicate that the borough will require around 200 additional specialist places by 2026/27, outstripping the current supply of places in 2018/19.

(c) Action to address shortfall

3.38 The following actions are proposed to meet the need for specialist places:

School / Site	Action	Decision Required
<p>Phoenix Upper School (Vacant former Bow Boys School site on Fairfield Rd, E3)</p>	<p>Plans are in place to expand Phoenix Special School across two sites. The current school site on Bow Road, E3 will operate as its lower school for children aged from 3 – 13, with the redevelopment of the former Bow Boys School at Fairfield Road, E3 to provide accommodation for its upper school for pupils aged 14 – 19. This will provide additional places for up to 144 pupils with Autistic Spectrum Disorder from Sept 2020. The LA will issue a public consultation on the permanent expansion in Autumn 2018. In the meantime, the LA has refurbished part of the Fairfield Road site to provide temporary accommodation until the permanent building is ready.</p>	<p>No decision required. Cabinet to note plans to expand the existing school ready for 2020.</p>
<p>Beatrice Tate</p>	<p>Plans are in place to provide temporary accommodation on the existing site at Southern Grove, E3 to enable the School to accommodate an additional 20 places for secondary aged pupils with Profound and Multiple Learning Difficulties (PMLD) by 2019. The LA is exploring options for the school to permanently expand to increase its capacity from 75 to 130 pupils. This will ensure there is sufficient provision for children moving from Stephen Hawking the borough's primary provision for PMLD.</p>	<p>No decision required. Cabinet to note plans to expand the existing school.</p>

3.39 The LA is also reviewing its provision for children with Social, Emotional and Mental Health (SEMH) needs and children requiring Alternative Provision. This work could result in recommendations for new specialist provisions and the existing site allocations will be considered for development if this proves the best option.

3.40 Provision for SEND pupils requires input from a number of agencies. The LA is therefore working with health and social care colleagues and especially the Clinical Commissioning Group (CCG) to ensure that there is the necessary planning of services to support the increases in demand going forward. For example, a plan to provide sufficient nursing, and speech and language therapy for pupils as they move in and through the various specialist provisions.

Summary of funding streams available

- 3.41 The principal source of capital funding for providing additional school places is the DfE Basic Need capital grant. The funding is allocated each year on a rolling basis, three years in advance. It is formula-based and does not reflect post-16 need or specific growth in numbers of pupils with high needs. Because of the fluctuating trend of need, there is no new funding allocated for 2018/19, 2019/20 and 2020/21 and it is not yet clear what funding will be allocated, if any, for 2021/22 and beyond.
- 3.42 The capital programme of new school capacity is also supported by use of s106 receipts which have been secured to mitigate the impact of new housing developments. Approximately £10m has been collected for new schools, which has not yet been committed to a project. In addition, approximately £10.6m for schools has been agreed but not yet collected. However, there is no certainty about receiving the full value of the agreed sums as this will depend on the developers' programmes so this presents some difficulties in planning the use of these receipts.
- 3.43 The council adopted its Community Infrastructure Levy (CIL) charging from April 2015. This partly replaces s106 payments for the mitigation of the impact of new developments on school provision. The council's Annual Infrastructure Statement sets out the Mayor's overall approach to investing CIL. 16% of CIL funding is allocated towards 'community, education and employment' which includes schools. By March 2019, £5m of CIL funding is expected to be available (£8m collected less £3m already allocated to projects). 25% of CIL funding (£12m by March 2019) is also allocated toward the Local Infrastructure Fund (LIF) which must be spent in the neighbourhood area where it was collected and in consultation with local residents. A proportion of LIF funding could be put towards schools, depending on the location.
- 3.44 In 2017, the Government committed £215 million of capital funding nationally to help local authorities create new SEND school places and improve existing facilities for children and young people with SEN and disabilities. In Tower Hamlets this funding amounts to about £1.45m a year for the next three years (2018-2021) - £4.36m in total.
- 3.45 In addition to these funding streams that are specific to education, the Council also has the option to use its reserves, capital receipts, and/or borrow to ensure that it can deliver on its strategic priorities and statutory duties.

- 3.46 When the funding strategies for new school projects are being developed, these funding sources are considered and the funding allocated through the relevant governance and decision making arrangements. Funding will be allocated to the following new school projects as follows:

Project	Estimated cost
Wood Wharf (2FE primary) – fit out of shell and core provided by developer	£5,000,000
Westferry (6FE secondary and sixth form) – full development of the school	£45,000,000
London Dock (6FE secondary and sixth form) – full development of the school	£52,000,000
Phoenix Upper School (144 place expansion of existing special school)	£17,000,000
Total costs	£119,000,000

4. COMMISSIONING NEW PLACES

There are essentially three routes for the LA to establish new schools in its area as follows:

(a) Free School Presumption Process

- 4.1 Changes to the law in recent years have emphasised the role of the LA as the commissioner of school places rather than the provider. The option for the LA to open a new community school will be the last alternative after others have been exhausted. Where the LA identifies the need for a new school, it should seek proposals to establish the school and appoint the provider via the ‘free school presumption’ process (NB. free schools and academies are legally the same type of school).
- 4.2 Under the ‘free school presumption’ process the LA is responsible for providing the site for the new school. It is the expectation that the site will be made available to the appointed provider free or on a peppercorn basis. The LA will also be responsible for meeting the associated capital and pre/post-opening revenue costs.
- 4.3 The LA seeks proposals (expressions of interest) from approved free school or academy providers, following a procedure set out by the DfE. As part of this process the LA will first set its specification for the new school through consultation with the community. This specification is a key document to enable the proposer to understand the LA’s requirements for the new school. The specification will set some key matters in addition to the basic details, such as phase of education, size of the school and planned opening date. It will include the need for a strong education vision, engagement with the local community, providing inclusive education and support for all children and operating as the local school for the community. The Tower Hamlets specification will also include a commitment to support the Tower Hamlets

Education Partnership, which has been set up by schools to meet the challenge of ensuring that all children and young people in Tower Hamlets achieve the best possible outcomes through effective partnership working. One of its core values is to promote a system of equality and inclusion, supporting the needs of the most vulnerable children and families. It is important that any new school proposer is committed to the aims and ethos of the Tower Hamlets Education Partnership.

- 4.4 The LA will then evaluate the bids from the providers in consultation with the Regional Schools Commissioner and submit its recommendation to the Secretary of State. The decision on the appointment of a provider is taken by the Secretary of State, delegated to the Regional Schools Commissioner, who will then enter into a funding agreement with the appointed provider. Only those academies or free schools that have obtained approved provider status from the DfE are able to bid to operate new schools.
- 4.5 When deciding on the appointment of the school provider the Secretary of State will consider the LA's recommendation on the choice of a proposer. However, in some cases the Secretary of State may consider additional information held by the DfE about:
- the capacity, capability or the academic track record of a proposer;
 - the quality and the diversity of the existing local provision; and
 - the ability of the proposed sponsor to redress social disadvantage, as well as to improve educational standards in an area.
- 4.6 The Secretary of State reserves the right to agree a sponsor of his own on the basis that he may have further evidence about an academy sponsor that means none of the options put forward by the LA are considered suitable.
- 4.7 If the local authority decides, prior to proposals being submitted, that circumstances have changed such that it is no longer satisfied that there is any need for a new school (for example, where a housing project has been cancelled or where a proposed central route free school will meet the identified need), then the local authority can halt the presumption process and withdraw the specification on these grounds. A more detailed summary of the Free School Presumption Process and the LA's template specification is attached as Appendix 4.

(b) Free School Applications Approved by Central Government

- 4.8 Separate from the free school presumption process is the establishment of a new school through the central government's free schools programme. This is where an academy sponsor applies directly to central government to set up a new free school and the application is approved by the Secretary of State. The government will then provide the capital for the land and the construction of the school and will seek to supplement this funding with other contributions. This includes the provision of a site from the Local Authority or contributions from local housing developers.
- 4.9 As stated previously, it is unlikely that central government will approve any new applications for schools to be established in Tower Hamlets. However,

there is one academy sponsor that has previously been given approval to open a new school in the Tower Hamlets area. This academy sponsor has indicated its interest in one of the sites allocated for a new secondary school in the borough. Given that the council has identified a need for additional secondary schools and is considering ways to provide them, it is advised to work with both the Regional Schools Commissioner and any academy sponsor that has already been approved to open a new school in Tower Hamlets through the central government route. This ensures that there is a common understanding and co-ordinated approach to the action being taken to meet basic need and improve the quality of school places in the borough.

(c) Transferring an existing maintained school to a new site

- 4.10 Under the statutory provision of 'making prescribed alterations to maintained schools' there is the facility for an LA or governing body of a maintained school to propose the transfer of an existing school to a new site. This is where the main entrance of the proposed new site for a school would be more than two miles from the main entrance of the current school site.
- 4.11 The LA is therefore considering this option for primary schools in areas of the borough where there is a significant surplus of places (Bethnal Green and Wapping catchment areas) to relocate to a new site in the Isle of Dogs catchment area in order to address the increasing demand for additional primary school places in the East of the borough. The aim would be to ensure the continuity of existing high quality provision and for additional places to be provided quickly. This would also limit the potential for a number of permanent school closures.
- 4.12 In practical terms, this would mean a school relocating from its current location in the West to a new location in the East of the borough, serving a new community but retaining its staff and other key resources. The relocation of a school can be timed in such a way that it does not significantly disrupt the education of existing pupils as they move between the Key Stages. There would also be the opportunity for existing pupils to continue at the school in its new location with the LA providing travel assistance within the requirements of its statutory obligations.

5 DETERMINING THE SCHOOL PROVIDER AND KEEPING STAKEHOLDERS INFORMED OF DEVELOPMENTS

- 5.1 The LA will determine the appropriate route for appointing a school provider in consultation with the Regional Schools Commissioner. It will keep stakeholders and council members informed of its progress through various channels, including the council website, committee reports, and the Members Bulletin.
- 5.2 An earlier Overview and Scrutiny Challenge Session identified a number of issues and made recommendations for the council to ensure that the process for appointing a school provider is fair, open and transparent. The content of this Cabinet report addresses the key issues and recommendations from the challenge session and the updated action plan is included as Appendix 5.

6. EQUALITIES IMPLICATIONS

- 6.1 Access to good quality school places is essential to raising achievement and addressing poverty and inequality in the long term. The reorganisation and development of new schools in certain areas of the borough will have a positive impact on all groups by improving accessibility, increasing parental choice and promoting inclusive education
- 6.2 When the council undertakes its plans to commission new school places and works with the Secretary of State to appoint the school providers, it will seek to ensure that the offer is universally applicable to children and young people of school age and there is no unequal impact on different groups.

7. COMMENTS OF THE CHIEF FINANCE OFFICER

- 7.1 This report is drawing attention to the regulatory framework for school place planning and how this can impact on site disposal or development proposals beyond the education estate. Decisions on site disposal or development will have various financial implications particular to the circumstances.
- 7.2 Meeting the Authority's statutory duty with regard to providing sufficient school places will require significant additional resources, as has been advised in previous reports on school place planning. The cost of a form of entry (FE) for primary will be approximately £6.5m (with up to an additional 11 primary FE needed by 2030/31) and a secondary FE is also estimated at £6.5m (with an expected 6 FE required by 2030/31). This points to an estimated cost of £110.5m at current prices to fund the additional capital costs by 2030/31.
- 7.3 The £10.5m capital funding identified from the Department for Education for 2017/18 to 2019/20 will assist, as will the creation of additional places through the establishment of free schools and £4.36m in total for expansion of Special provision (2018-2021) Nonetheless, DfE capital does not necessarily cover London costs, nor does it cover site acquisition costs. The LA has agreed s.106 contributions which are used to support the provision of additional education facilities arising from new housing developments. These will be supplemented by the Community Infrastructure Levy (CIL) charges implemented by the Council from 2015. However, the flow of contributions depends on development activity so is outside the Council's control.
- 7.4 At this stage it is not possible to guarantee that sufficient capital resources in the form of Basic Need Grant or S106/ CIL contributions are available to meet the estimated costs of c £110.5m. The Council's capital strategy will need to consider therefore, in the context of its capital priorities, how any estimated gap will be addressed in order to meet its statutory obligations for providing sufficient school places.
- 7.5 Schools will be responsible for any ongoing revenue implications arising from the expansion. The Dedicated Schools Grant (DSG) will fund the schools for the additional expansion class pupils via the revenue "growth fund" (agreed by the Schools Forum). The "growth fund" is agreed annually by the Schools Forum and funded through a top-slice from the DSG. It should be noted that different arrangements apply to some academies and free schools, who are

funded by the EFA based on estimated numbers with funding recouped from the DSG allocation.

8. COMMENTS OF LEGAL SERVICES

- 8.1. Section 14 of the Education Act 1996 places a general duty on local authorities to secure sufficient primary and secondary schools in their area. Schools will be regarded as sufficient if they are sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education. Reasonable consideration must be given to parental representations regarding the provision of schools in the Council's area. This report sets out how the Council will comply with the sufficiency duty.
- 8.2. Under section 6A of the Education and Inspections Act 2006 and government guidance, there is a presumption that any new school being set up must be an academy or a free school. There is a set process for the identifying the need for a new school. A local authority may seek proposals for a new academy and must inform the Secretary of State of the outcome who will then choose one of the proposers. A competition will be run if that process produces no suitable proposer. Accordingly, normally a local authority will only be able to publish its own proposals for a new community or local authority foundation school if all other reasonable options are exhausted.
- 8.3. This report demonstrates how Section 106 planning obligations and the community infrastructure levy (CIL) can secure land and funding to address the impact of new development on education. Whilst historically financial contributions for education were mostly taken towards education under Section 106, following the adoption of the Council's Community Infrastructure Levy charging schedule in April 2015 monies towards education are now to be mainly collected under CIL although section 106 can still be used to fund school provision. In some instances infrastructure can be provided on site in lieu of the payment of CIL and it is important that the Children's Services and Place Directorates continue to work together to address the best way of meeting the borough's needs through the planning system.

9. ONE TOWER HAMLETS CONSIDERATIONS

- 9.1 The LA has to plan for the overall social infrastructure to meet the needs of the rising local population. This informs the development of the council's asset management and service planning to ensure that the required infrastructure is provided and that the competing needs are balanced.

10. BEST VALUE (BV) IMPLICATIONS

- 10.1 The report sets out proposals for meeting the need for school places. Proposals include making the best use of existing council assets.
- 10.2 Implementation of capital schemes will be subject to competitive procurement. Proposals will be subject to consultation as they are developed and before implementation.

11. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 11.1 The proposals to provide additional school places to meet the needs of the population will be implemented taking account of sustainable design standards and materials. The planned organisational changes to primary school provision is intended to ensure that children can access a local school place and so minimise impact on travel.

12. RISK MANAGEMENT IMPLICATIONS

- 12.1 The council has a statutory duty to provide sufficient school places. In order to plan to meet this need projections are obtained annually and reviewed each year against the known school capacity. It is clear that the projections indicate that a significant change in the need for places has to be planned for. There may be further variations in the projections so the council has to retain some flexibility in its ability to respond to the need.
- 12.2 The plans required to meet the need for school places can often require the balance of complex and competing considerations, for example for other social infrastructure requirements. Because of the long time that is required to implement projects, decisions need to be taken in sufficient time to plan the use of resources and to identify shortfalls.
- 12.3 The council has to manage the risk of failing to meet its statutory duties by having sufficient options available for implementation to meet the need and by keeping the changing circumstances under review.

13. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 13.1 There are no specific implications arising.

14. SAFEGUARDING IMPLICATIONS

- 14.1 The report deals with the Council's approach to providing school places for the local population. The supply of good quality school places contributes to the safeguarding of children by ensuring their early access to education.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- Appendix 1 - School Roll Projections and summary of methodology
- Appendix 2 - Maps of primary and secondary schools and site allocations
- Appendix 3 - The emerging Local Plan's approach to allocating primary and secondary school sites
- Appendix 4 - Detailed summary of the Free School Presumption Process
- Appendix 5 - Updated Action Plan from the Overview and Scrutiny Challenge Session on new School Site Allocations

**Background Documents – Local Authorities (Executive Arrangements)
(Access to Information) (England) Regulations 2012**

- NONE

Officer contact details for documents: N/A