

## **Committee: Children and Young People Overview and Scrutiny Panel**

**Date: 29 September 2021**

Agenda item:

Wards: All

### **Subject: Schools Places Planning Strategy**

Lead officer: Jane McSherry, Director of Children, Schools and Families

Cabinet Member: Eleanor Stringer, Deputy Leader and Cabinet Member for Children and Education

Contact officer: Tom Procter, Head of Contracts and School Organisation

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#### **Recommendations:**

- A. To note the draft School Places Planning Strategy document showing the actual falling demand for primary school places and the forecast fall in demand for secondary school places, but the significant increase in demand for specialist provision that transcends these trends
  - B. To note and comment on the strategies to address this prior to consultation with schools
  - C. To note that the School Places Planning Strategy document will be expanded to include Early Years childcare sufficiency, which is currently a separate document
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## **1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1. This report and accompanying document outlines the falling demand for primary school places, and forecast fall in demand for secondary school places, and increased demand for specialist provision.
- 1.2. The document sets out the supply and forecasting information and this report sets out the draft strategy for managing the changing demand, prior to consultation with schools

## **2 DETAILS**

### **Background**

- 2.1. The council has a legal responsibility for the sufficiency of school places. There has been no legal requirement for a published sufficiency plan since the requirement for a School Organisation Plan stopped in the mid-2000s but since this time there have generally been annual reports to committees on supply and demand. Up to 2016 this focussed on the rising demand for primary school and then secondary school places.

- 2.2. Since around 2016 the position has changed significantly in Merton, in London, and generally throughout the country, in there being a significant fall in demand for primary school places which is expected to feed into secondary schools in the coming years. However, at the same time there have been unprecedented increases in demand for Education, Health and Care Plans (EHCPs) for children with special educational needs and disabilities (SEND) and specialist school places associated with this.
- 2.3. The School Places Planning Strategy documents the detail of the supply and demand, and this cover paper outlines the council's draft strategy to manage this.
- 2.4. Following the comments from this committee the document will go to consultation with schools.

### **PRIMARY SCHOOLS**

- 2.5. After an unprecedented 35% increase in pupil numbers in the 11 years to 2017/18 (a rise of 4,367 from 12,683 to 17,050), 2017/18 was the peak in primary school numbers and we are now experiencing a significant fall, with a drop of 1,184 pupils (7%) to 2020/21. This fall was not forecast at London or national level prior to 2016, and seems to have been highly influenced by changing migration patterns as a result of the Brexit referendum and then Brexit itself.
- 2.6. Reception year numbers decreased in 2020/21 for the fifth consecutive year and, based on school admissions allocations, there is a further significant fall in the reception year in 2021/22. The expected fall in 2021/22 is far higher than was projected in any forecasting models and seems to be highly influenced by the implementation of Brexit and Covid factors, with families moving away from the area. Across London there was a fall of 6.7% in school admissions reception year offer day allocations for September 2021 compared to 2020; Merton was higher than average at 9.1%.
- 2.7. A further fall is forecast in future years; the extent of the further fall is dependent on the forecast model used, and the complexity of whether Covid factors are temporary or permanent. As the lower numbers flow to all year groups, the total primary school roll by the GLA forecast model is 15,108 in 2025/26, nearly 2,000 less than the 2017/18 peak. Our 'pupil retention' modelling suggests it will be 13,486, so 3,500 less than the 2017/18 peak. Since the last 18 months has been impacted by changing Covid-19 movement patterns and the end of the Brexit transition period there will need to be a regular review of demand.
- 2.8. The council has already facilitated the reduction in the published admission number by 10.5 forms of entry from 2016 to the present 2021/22 reception year entry. However, if the council is to be within the 'ideal' surplus places level of 5% as described in the School Places Strategy document then, based on the GLA forecast, a reduction by a further 9.5 forms of entry in reception year is required by 2025/26, with much of it to be in place by 2023/24. Based on our pupil retention model, this increase to 16 forms of entry.
- 2.9. School place numbers can be reduced by either reducing the admission number of a school or closing a school. The legal implications sections

outlines the statutory guidance on closing maintained schools, and it is a requirement of the statutory guidance to provide a statement on its necessity. Therefore closing a school is generally a last resort, when standards are inadequate, and without a strategy to be at least good (as judged by Ofsted) and/or the school is not considered financially viable.

2.10. Since the early 2010s the primary school expansion programme was, with one Free School exception, achieved by the expansion of existing schools rather than establishing new schools. Most primary schools are therefore of a good size to enable admission numbers to be reduced, often to previous numbers, and for the school to operate to at least one form of entry.

2.11. The broad strategy is as follows:

- Continue to encourage schools to reduce admissions numbers to multiples of 30 for education efficiency when practical to do so
- Encourage schools to work in cluster areas with the council to agree reductions in admission numbers at an area level
- Consider use of compatible alternative uses for space where appropriate such as primary age SEND Additional Resourced Provision when it can be agreed with schools
- Where appropriate consider alternative models to operate schools for school improvement and to manage a balanced budget e.g. hard and soft federations
- No plans to close schools

2.12. With regard to school closure, the council would only propose this when absolutely necessary, as per the statutory guidance. This would be where standards are poor without a viable strategy for school improvement, the school is not viable financially after all options have been exhausted, and that there are places elsewhere for children that would be displaced, and pupil forecasts do not suggest an increase in demand, The council will also be wary that once land is lost for schools it may not be possible to get it back for any future increase in demand that cannot be foreseen. The council has no statutory power to propose the closure of an Academy school.

2.13. It should be noted that some schools are reluctant to move down to 1-form of entry and would prefer to manage with an intake in the 40s. This will be dependent on the circumstances of the individual school, and the council does not see its role as to dictate as long as standards are high and the school is meeting a balanced budget. However, it will seek to facilitate area wide solutions wherever possible and may intervene if individual school decisions have a wider impact on school standards and meeting balanced budgets.

2.14. Since demand for school places is changeable, especially in the light of Covid, and is led by parent preference, it is important to have regular reviews to make decisions when they are needed rather than specific decisions being made before all the information is available. For example, demand for a school can increase or decrease very quickly following an Ofsted inspection. Our planned review process for this year will again be as follows:

- By 15 October 2021 – Review actual intakes in September from draft school census data along with the latest pupil forecasts, especially in reception year, to consider whether we should encourage schools to reduce their admission number for 2022/23 (requiring an application the Schools Adjudicator) and/or a reduction as part of the council's annual statutory school admissions consultation in late 2021 for 2023/24 entry. An unofficial cap may also be possible if there is not sufficient preferences from parents that would lodge an appeal
  - 15 January 2021 – Admissions offer closing date. Review whether, based on actual admissions applications, any of the decisions made in the autumn need to be reviewed for 2022/23 reception entry.
  - 20 February 2021 – Review early co-ordinated school admission round placement allocations to again review whether any of the decisions made in the autumn and January need to be reviewed for 2022/23 reception entry
- 2.15. In parallel the council will consider opportunities for placing additional resourced provision in primary schools in line with our High Needs safety valve discussions with the DfE (see section below on special provision).

## **SECONDARY SCHOOLS**

- 2.16. The significantly increased pupil numbers have reached secondary age in the last 5 years and the Year 7 roll has broadly plateaued following the significant increase up to September 2018, when the council facilitated the opening of the Free School Harris Academy Wimbledon for September 2018 to enable sufficient places, and which moved to its permanent site in autumn 2020.
- 2.17. However, the lower numbers flowing through primary schools will reach year 7 within the next 2-3 years and so there is concern there will be surplus places and a need to reduce the capacity of some schools.
- 2.18. The level of demand continues to be dependent on the pupil retention from year 6, as there is extensive cross border movement.
- 2.19. There has been some concern regarding the impact of a proposed second new Free School in Sutton some 700 metres from the boundary, and there is also concern regarding the proposed opening of a new Voluntary Aided school in Kingston that is also close to the Merton border. After successful lobbying, initially by Merton Council and Merton schools and followed by Sutton schools, it has very recently been confirmed that the mainstream Sutton Free School will not be progressed. There will however be a 56 place special school there, due to open in 2024.
- 2.20. The School Places Strategy document shows a significant discrepancy between GLA projections and those based on a consistent pupil retention of numbers flowing through primary school. The GLA projections are based on the council meeting ambitious housing targets and resulting child yield.
- 2.21. Based on the GLA forecasts there is only a need to reduce supply by 2-3FE to be at the ideal 5% surplus level. However, based on the pupil retention model of the year 6 to year 7 transfer being 79%, to maintain an ideal 5% surplus there is a need to decrease the admission numbers by the

equivalent of 9 forms of entry less than at present. In simple terms this could be 4 schools reducing from 8-forms of entry (240 pupils per year) to 6-forms of entry (180 pupils per year)

- 2.22. Over the present academic year there will need to be discussion with secondary schools to agree the best strategy for managing this.

### **SPECIAL SCHOOL PROVISION**

- 2.23. There has been a more than doubling increase in the number of EHCPs over the last 5 years, from 1075 in January 2016 to 2252 in January 2020 (SEN2 count), and still rising.
- 2.24. We have increased the number of special school placements. The number of places in 2016 was 358; by 2020 it had risen to 520. There are agreed plans for an 80 additional places through Whatley Avenue from September 2022 (the expansion of Melrose onto an additional site and widening of the SEND intake to include ASD).
- 2.25. We have also increased the number of ARP (Additionally resourced Provision within mainstream school) places. The number of places in 2016 was 101; by 2020 it had risen to 150.
- 2.26. However, the number of increased places has not kept up with the increase in EHCPs and the council still places more children with EHCPs to independent sector provision than other councils, and the council has a significant and growing deficit in its High Needs Block DSG (Dedicated Schools Grant). We will be discussing the need for further additional state funded special school provision with the Department for Education's (DfE) as part of the 'Safety Valve Intervention Programme'.
- 2.27. Under this process, over the autumn, the DfE team will work closely with the council to challenge and support the development of the DSG management plan through detailed discussions. During this process, the local authority will be working towards submitting a proposal to the department setting out:
- How the authority will go about reaching an in-year balance on the DSG, and the timeframe for achieving this;
  - How the authority will itself reduce the historic cumulative deficit, and what support might be required from the department to eliminate the deficit in full.
- 2.28. Final proposals will be submitted to the DfE in early December but in the meantime the council will work on bringing forward proposals for the optimum balance of school places to meet this strategy. The negotiation teams will assess the proposals and determine whether they secure the sustainability of the authority's high needs systems and spending appropriately and quickly, and whether any request for support represents value for taxpayer money.
- 2.29. The actual and projected fall in demand for primary school places, and the projected fall in demand for secondary school places offers the opportunity to deliver additional specialist spaces for a lower capital cost and make best use of buildings.

### **3 ALTERNATIVE OPTIONS**

- 3.1. The report described the various options to address the reduction in demand for schools places and increased demand for specialist provision.

### **4 CONSULTATION UNDERTAKEN OR PROPOSED**

- 4.1. The school places strategy document will go to CYP Overview and Scrutiny Pane and to schools for consultation.

### **5 TIMETABLE**

- 5.1. The various timescales are set out in the document

### **6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

- 6.1. The increase in demand for specialist provision for SEND children with EHCPs has resulted in a significant overspend in the Dedicated School Grant. The increased numbers outlined above has also resulted in a significantly increased number of requests for travel assistance for children with EHCP, which is leading to overspends in the council's general fund
- 6.2. The majority of funding to individual schools is provided through the national funding formula based on their school roll, council officers will continue to work closely with maintained schools to facilitate decisions that will provide a balanced budget.

### **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 are available for its area to provide the opportunity of appropriate education for all pupils. It must exercise this function with a view to securing diversity in the provision of schools, and increasing opportunities for parental choice.
- 7.2. A reduction in the published admission number (PAN) of a maintained school (community, controlled and voluntary aided schools) can be agreed by the admission authority for the school as part of the annual determination of admission arrangements. Admission arrangements must be determined in March in the year prior to the admission year so that this is approximately 20 months prior to implementation (consultation in late 2021 for determination in March 2022 for September 2023 entry). The council is the admission authority for community and voluntary controlled schools and the governing body for voluntary aided schools. Before determining a reduction in a PAN, the admission authority must carry out a consultation exercise in accordance with the School Admission Code and the School Standards and Framework Act. Objections may be submitted to the Schools Adjudicator. Community and voluntary controlled schools have the right to object to the Schools Adjudicator if the PAN set for them is lower than they would wish. An application can also be made to the Schools Adjudicator for a change in the PAN in-year where this is necessary in view of a major change in circumstances occurring since the PAN was determined.
- 7.3. The Council can propose the closure of a maintained school following the statutory process under section 15 of the Education and Inspections Act 2006. There must be consultation prior to publication of proposals and publication of a statutory notice inviting representations, following which the

council will determine whether to approve the proposals. Regard must be had to the statutory guidance. The statutory guidance for opening and closing maintained schools is here:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/851585/Opening\\_and\\_closing\\_maintained\\_schools1012.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/851585/Opening_and_closing_maintained_schools1012.pdf)

- 7.4. Closing a school should only be undertaken when ‘necessary’ and reasons for closing a maintained school are stated in the statutory guidance as to include, but are not limited to, where:
- There are surplus places elsewhere in the local area which can accommodate displaced pupils and there is no predicted demand for the school in the medium to long term;
  - It is to be merged or amalgamated with another school;
  - It has been judged inadequate by Ofsted and there is no sponsored academy solution;
  - It is to acquire, lose or change its religious character;
  - It is no longer considered viable; or
  - It is being replaced by a new school
- 7.5. School size: The statutory guidance states that Decision-makers should not make blanket assumptions that schools should be of a certain size to be good schools, although the viability and cost-effectiveness of a proposal is an important factor for consideration. The decision-maker should also consider the impact on the LA’s budget of the need to provide additional funding to a small school to compensate for its size
- 7.6. The statutory guidance requires a statement explaining the reason why closure of the school is considered necessary, and further requirements including the requirement to consider equality issues, travel, displaced pupils, and impact on the community.
- 7.7. In determining statutory proposals for school closures, the guidance requires that the council as decision maker should be satisfied that there are sufficient surplus places elsewhere in the local area to accommodate displaced pupils, and the likely supply and future demand for places in the medium and long term. The council as decision maker is required to take into account the overall quality of alternative places in the local area, balanced with the need to reduce excessive surplus capacity in the system. The decision-maker should have regard for the local context in which the proposals are being made, taking into account the nature of the area, the age of the children involved and, where applicable, alternative options considered for reducing excess surplus capacity.
- 7.8. The governing body of a voluntary or foundation school may also publish proposals to close its own school following the statutory process. Such proposals are then determined by the council. Alternatively, the governing body of a voluntary or foundation school may give at least two years’ notice of its intention to close the school to the Secretary of State and the local authority.

- 7.9. Changes to academies (including free schools) including changes to the PAN and school closures are a matter for the Secretary of State acting through the ESFA (Education and Skills Funding Agency) and in accordance with the school funding agreements. Where the PAN of an academy is reduced, an objection can be made to the Schools Adjudicator.

## **8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

- 8.1. The legal implications above show the implications to be considered of any change in school organisation

## **9 CRIME AND DISORDER IMPLICATIONS**

- 9.1. None specific

## **10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

- 10.1. There are a series of risks in reducing the supply of school places, and the increase in DSG expenditure has been identified as one of the greatest risks for the council

## **11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**

1. School places Planning strategy – draft 21 September 2021

## **12 BACKGROUND PAPERS**

- 12.1. None