

Committee: Children and Young People Overview and Scrutiny Panel

Date: 20 September 2023

Agenda item:

Wards: All

Subject: Schools Places Planning Strategy

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

Cabinet Member: Sally Kenny, Cabinet Member for Education and Lifelong Learning

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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
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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. It set out the supply and forecasting information and the strategy for managing the changing demand. It is primarily an update of last year's strategy.

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 main issues.

PRIMARY SCHOOLS

- 2.4. From the mid-2000s there was a rising demand for primary school places, requiring an extensive expansion programme. However, 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.

- 2.5. Reception year numbers decreased in 2022/23 for the seventh consecutive year and, further falls are expected from 2023/24. The extent of the further fall is dependent on the forecast model used. As the lower numbers flow to all year groups, the total primary school roll by the GLA forecast model is 14,242 in 2026/27 and 13,767 in 2027/28, nearly 3,000 less than the 2017/18 peak. Our 'pupil retention' modelling suggests it will be 13,741 in 2026/27 and 13,293 in 2027/28, some 3,500 less than the 2017/18 peak, with further falls thereafter.

- 2.6. The council has already facilitated the reduction in the published admission number by 13 forms of entry from 2016 to the present 2023/24 reception year entry. However, based on the GLA forecast, if there are no further reductions the Year R surplus will be 20% by 2026/27, and 26% based on our pupil retention model.

- 2.7. There is therefore a need to manage the falling demand for school places to ensure that schools can continue to improve and manage a balanced budget. The broad strategy agreed in autumn 2021, is now slightly more robust to challenge maintained schools that cannot meet a balanced budget:

- 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
- When a maintained school, the council has ultimate financial responsibility for the school. When the school cannot meet a robust forecast in-year balanced budget position the council may (in the case of Community Schools) enforce a reduction if it is financially advantageous to do so, and (in the Case of Voluntary Aided Schools) consider others levers to enforce the admission authority school to apply for a reduction

- No plans to close schools unless 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 and does not have the financial responsibility for any budget deficit. The council seeks to work in partnership with Academy schools. Were an Academy or Free School to elect to close, the council would need to review its maintained school capacity in light of any revised capacity within the local area.

SECONDARY SCHOOLS

- 2.8. The significantly increased pupil numbers reached secondary age through the 2010s and the Year 7 roll has since 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.
- 2.9. In 2022/23 we operated below the recommended minimum surplus level of 5% in Year 7 and this is also expected in 2023/24.
- 2.10. Whilst Merton applicant numbers have reduced in the last two years, overall Year 7 numbers have held due to increased numbers in neighbouring boroughs and a slight increase in retention of home residents in our schools. However, the lower numbers flowing through primary schools combined with predicted reductions in neighbouring boroughs will reach Year 7 by September (2024 or 2025) and so there is concern there will be surplus places and a need to eventually reduce the capacity of some schools.
- 2.11. The level of demand continues to be dependent on the pupil retention from Year 6, as there is extensive cross border movement.
- 2.12. The significantly higher pupil numbers reach 6th form age from this September (2023) and there will be significantly increased demand.

SPECIAL SCHOOL PROVISION

- 2.13. There has been a more than doubling increase in the number of EHCPs over the last 7 years, from 1075 in January 2016 to 2585 in January 2023 (SEN2 count).
- 2.14. The council has been active in implementing special school expansion in recent years. However, this has not been sufficient keep up with the increase in demand and the council still places more children with EHCPs to independent sector provision than most councils. As part of the High Needs 'safety valve' intervention programme agreed with the DfE in early 2022 a series of new expansions are being implemented over the next 5 years,

including the proposal for a new Special Free School. This has now received pre-opening approval by the Secretary of State. As of Autumn 2023, there is a selection process for a new provider expected to be chosen in early 2024 and opening of the school for September 2026.

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. Previous versions of this document have gone to schools for comment and this version will also.

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
- 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

School places Planning strategy – updated September 2023

12 BACKGROUND PAPERS

- 12.1. None