

## **Children & Families Overview and Scrutiny Committee**

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**Date of Meeting:** 22<sup>nd</sup> March 2021

**Report Title:** School Organisation & Capital Review

**Portfolio Holder:** Cllr Kathryn Flavell – Portfolio for Children & Families

**Senior Officer:** Ged Rowney – Interim Director of Children's Services

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### **1. Report Summary**

- 1.1. The purpose of this report is to provide an overview for Children and Families Overview and Scrutiny Committee on the previous, current, and projected schemes which are primarily targeted at ensuring that we have sufficiency of school places across all our planning areas in the borough. This work includes supporting the increasing demand for specialist SEN places.
- 1.2. The report also summarises the ongoing work undertaken by the School Organisation team to support the overall condition of school building across the maintained sector.
- 1.3. The attached appendix provides the detail of proposed, agreed and completed schemes over recent years. It identifies where there are demands on school places and our intended works to address this demand. Please note that the appendix details schemes at our mainstream schools including both maintained and academies.
- 1.4. This report does not go into detail regarding the breakdown of how capital schemes are specifically funded. In summary, funding is through a range of routes with the main ones relating to the use of the Basic Need external grant along with agreed section 106 funding for education to mitigate the need for additional school places due to the impact of new housing. For some SEN schemes, the Directorate has been successful in gaining support for prudential borrowing where it can show that investment by the Council in providing additional places at existing settings or the setting up

of new Free Schools where this is a more cost effective solution in terms of per place costs. This will help reduce ongoing and rising SEN costs for independent or out of borough specialist placements.

## **2. Recommendations**

- 2.1. To note the school organisation plans and feedback on the proposals as outlined for providing sufficiency of school places.

### **2.1.2 Reasons for Recommendations**

- 2.2. The 2021 pupil forecasts, which include housing, indicate that there will be a shortfall of places across a number of planning areas. The role of the Authority is to ensure that sufficiency of places is achieved and therefore capital investment needs to take place in high priority planning areas to meet this statutory requirement.

## **3. Other Options Considered**

- 3.1. The option to do nothing is not viable due to the forecast pupil yields resulting from new housing and the unsustainable impact on other schools in priority planning areas.
- 3.2. The option of not investing in new SEN provision is not an option as identified in the recently approved SEN Management Plan.

## **4. Background**

- 4.1. Each year, the Authority is required to submit a return to the DfE which identifies our requirements for pupil place planning. This process did not take place due to the pandemic in 2020 but the work to maintain our response to ongoing need in this critical area was completed through the updating of pupil forecasts based upon the latest school census data. These latest forecasts provide the basis of our 2021 submission to the DfE and has utilised the September 2020 school census data and the housing forecasts which were provided by Planning late December 2020.
- 4.2. In terms of funding, the Authority receives differing amounts of Basic Need grant based upon our submitted return. We have recently been informed that for 2023-24, our grant allocation will be in the region of £5.3m. This information was published on the 25<sup>th</sup> February 2021 but was too late to be included within the MTFS report that was approved by Council on 17<sup>th</sup> February 2021. Finance will now make the necessary adjustments to the programme as part of the year end out turn updates.
- 4.1. Funding through Section 106 is secured through close liaison with planners and allows for additional funds to be made available for education purposes where new houses result in the risk of insufficient school places in a local area. These payments are released over the phasing of a development

which adds risk to the overall funding mechanisms in that approved schemes will need to be frontloaded to be completed on time in advance of receiving the actual contributions. Currently, we have secured £54.2m of Section 106 contributions and to date, have received approximately £16.7m from developers for use in school expansion programmes.

- 4.2. The table below captures the capital spend for sufficiency of school places and shows the level of investment in our schools over the last 5-year period as well as the committed and proposed schemes currently being progressed.

<b>Capital Schemes</b>	<b>Level of funding</b>
Schemes completed in last 5-year period	£22.98 Million
Current committed schemes	£27.4 Million
Further proposed schemes	£16.7 Million
<b>Total</b>	<b>£67.08 Million</b>

- 4.3. In addition to new places, the Authority is responsible for supporting the condition of school buildings for the maintained sector – this is again through the use of external Schools Condition Allocation Grant (SCA), which the authority receives on an annual basis. As schools convert to academies the level of funding allocated by the DfE is reduced. The receipt of the funding on an annual basis makes it difficult to plan condition works efficiently, especially larger schemes where phasing over 2/3 years is required but we are unable to commit until allocations are notified. The following table shows the breakdown of condition funding over the last 3 years as an indication of investment into our school infrastructure.

<b>School Condition Allocation Grant (SCA) – by year</b>	<b>Level of funding</b>
SCA Grant – 2018/19	£2.222 Million
SCA Grant – 2019/20	£1.816 Million
SCA Grant – 2020/21	£1.859 Million
<b>Total</b>	<b>£5.897 Million</b>

- 4.4. Outlined below is a breakdown of the above condition funding in terms of the main areas of spend, this is split between condition schemes which are mainly overseen by Facilities Management Team and the school managed schemes (SMS) which, following a school bidding round schemes have been approved where schools have identified priorities which meet the set DfE criteria.

<b>Year</b>	<b>Total Value of Condition Schemes</b>	<b>Total Value of School Managed Schemes</b>
2018/19	£500K	£1.362 Million
2019/20	£870K	£1.103 Million
2020/21	£558K	£1.149 Million
<b>Total</b>	<b>£1.928 Million</b>	<b>£3.614 Million</b>

- 4.5. The need to increase SEN provisions across the borough has been a critical piece of work which has been placed upon the SEN Sufficiency statement which analyses SEN types and demand for provisions across the three locality footprints. Summarised below are details of the budgets and spend against the Phase 1 and Phase 2 SEN placement expansions to date. In addition to this we were successful in a Wave 12 bid to the DfE for a new SEN Free School, The Axis School officially moved into their new school building in January 2021.

<b>SEN Capital Investment</b>	<b>Level of funding</b>
SEN Placement Expansions – Phase 1	£3.3 Million
SEN Placement Expansions – Phase 2	£2.86 Million
External Capital SEN (Wave 12 bid for new Axis school)	£4.2 Million
<b>Total</b>	<b>£10.36 Million</b>

- 4.6. The Authority has also received capital funding specifically for SEN provisions, this is in the region of £808K and is currently being targeted in schemes targeted at existing specialist Resource Provisions within mainstream schools.

- 4.7. **In total, as an estimate of expenditure completed or committed into schools for additional places or improving condition, the figure is in the region of £84 Million.**

(Please note this does NOT include investment of condition works for academy schools through the Condition Improvement Fund (CIF) bidding process.)

## **5. Implications of the Recommendations**

### **5.1. Legal Implications**

The School Organisation works very closely with legal representatives to ensure full compliance of proposed schemes and to ensure necessary approvals are reached as per the Constitution.

### **5.2. Finance Implications**

The School Organisation works very closely with finance representatives to ensure full compliance of proposed schemes and to ensure necessary approvals are reached as per the Constitution. Where needed, this includes attendance and approvals through the Capital Board.

### **5.3. Policy Implications**

- 5.3.1. The provision of new school places will support the Council in meetings its duty to provide sufficient school places. School Organisation policies and the Capital programme is approved through DMT on an annual basis.

### **5.4. Equality Implications**

- 5.4.1. The expansion of schools as required will provide the opportunity for more children to achieve a school place at their local school. The only factors that would then prevent a child getting a school place would be in line with the school's admissions arrangements.

### **5.5. Human Resources Implications**

Staffing requirements will increase in certain schools as a result of extra places and this will require HR support.

### **5.6. Risk Management Implications**

- 5.6.1. There are numerous risks associated with any school organisation scheme for example the need for planning approval, the need for agreement from the Secretary of State and RSC approval if an academy, the cost of the scheme, the S106 contribution not being

realised. All these risks will be managed throughout the project by way of a risk register and dealt with accordingly.

#### **5.7. Rural Communities Implications**

5.7.1. There are no specific implications for rural communities although transport to schools from rural areas is always a factor in pupil place planning.

#### **5.8. Implications for Children & Young People/Cared for Children**

5.8.1. The provision of new school places would provide opportunities for additional children to get a place at a school within their local community and within safe walking distance to their home. The only factors that would then prevent a child getting a school place would be in line with the school's admissions arrangements.

#### **5.9. Public Health Implications**

5.9.1. There are no direct implications for public health.

#### **5.10. Climate Change Implications**

5.10.1. Providing additional school places will enable Cheshire East children, resident within the development and locality, to secure a place at their local school thus reducing the need to travel. Thus, reducing energy consumption, reducing pollution, and encouraging pupils to walk or cycle to school promoting a healthy lifestyle.

5.10.2. CEC is very aware of their environmental education and stewardship role and are very interested in promoting sustainability in general.

5.10.3. As part of the design process, the design team will explore how the building could be designed to minimise future running costs and will be in line with CEC sustainability policy.

5.10.4. Systems that save on energy consumption will be considered for the whole development

### **6. Ward Members Affected**

All wards will be impacted upon over time

### **7. Consultation & Engagement**

7.1. The Service will initially consult with all Ward Members and local schools seek their views on any proposals.

- 7.2. In line with DfE guidance, the LA must follow the necessary school Organisation processes in line with Department for Education's statutory guidance.

## **8. Access to Information**

- 8.1. <Any supporting documents that help to explain or evidence the report and its recommendation should be included here in accessible formats. Authors should take note of any confidentiality or cost of access issues in this section for reports that end up in the public domain.>

## **9. Contact Information**

- 9.1. Any questions relating to this report should be directed to the following officer:

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## 10. Version Control

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- Directorate management team: version to begin at 1.0
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Date	Version	Author	Meeting report presented to	Consultees		Summary of amendments made
				Name of officers consulted	Date consulted	
11/03/21	1.0	Jo Prophet	DMT	Mark Bayley	11/03/21	
				Julie Gregory		
				Steve Reading		