



## CHILDREN & LEARNING OVERVIEW & SCRUTINY COMMITTEE (SPECIAL) AGENDA

7.30 am

Thursday  
9 August 2012

Town Hall

Members 14: Quorum 6

**COUNCILLORS:**

Sandra Binion (Chairman)  
Gillian Ford (Vice-Chair)  
Dennis Bull

Nic Dodin  
Robby Misir  
Pat Murray

Frederick Thompson  
Keith Wells  
Peter Gardner

**CO-OPTED MEMBERS:**

**Statutory Members  
representing the Churches**

Phillip Grundy, Church of  
England  
Jack How, Roman Catholic  
Church

**Statutory Members  
representing parent  
governors**

Julie Lamb, Special Schools  
Anne Ling, Primary Schools  
Garry Dennis, Secondary  
Schools

Non-voting members representing local teacher unions and professional associations:  
Margaret Cameron, NAHT, Bev Whitehead (NUT), Keith Passingham, NASUWT

**For information about the meeting please contact:  
Sean Cable 01708 432436  
sean.cable@haverling.gov.uk**

## **What is Overview & Scrutiny?**

Each local authority is required by law to establish an overview and scrutiny function to support and scrutinise the Council's executive arrangements. Each overview and scrutiny committee has its own remit as set out in the terms of reference but they each meet to consider issues of local importance.

They have a number of key roles:

1. Providing a critical friend challenge to policy and decision makers.
2. Driving improvement in public services.
3. Holding key local partners to account.
4. Enabling the voice and concerns of the public.

The committees consider issues by receiving information from, and questioning, Cabinet Members, officers and external partners to develop an understanding of proposals, policy and practices. They can then develop recommendations that they believe will improve performance, or as a response to public consultations.

Committees will often establish Topic Groups to examine specific areas in much greater detail. These groups consist of a number of Members and the review period can last for anything from a few weeks to a year or more to allow the Members to comprehensively examine an issue through interviewing expert witnesses, conducting research and site visits. Once the topic group has finished its work it will send a report to the Committee that created it and it will often suggest recommendations to the executive.

## **Terms of Reference**

The areas scrutinised by the Committee are:

- School Improvement (BSF)
- Pupil and Student Services (including the Youth Service)
- Children's Social Services
- Safeguarding
- Adult Education
- 14-19 Diploma
- Scrutiny of relevant aspects of the LAA
- Councillor Calls for Action
- Social Inclusion

## **AGENDA ITEMS**

### **1 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS**

(if any) - receive.

### **2 DECLARATION OF INTERESTS**

Members are invited to declare any interests in any of the items on the agenda at this point of the meeting. Members may still declare an interest in an item at any time prior to the consideration of the matter.

### **3 CHAIRMAN'S ANNOUNCEMENTS**

The Chairman will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

### **4 FUTURE SHAPE OF EDUCATION SERVICES - CALL IN OF CABINET DECISION** (Pages 1 - 22)

### **5 COMMISSIONING SCHOOL PLACES STRATEGY 2012/13-2015/16 - CALL IN OF CABINET DECISION** (Pages 23 - 34)

**Ian Buckmaster  
Committee Administration &  
Member Support Manager**

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## CHILDREN & LEARNING OVERVIEW & SCRUTINY COMMITTEE

9 August 2012 (Special)

<b>Subject Heading:</b>	Future Shape of Education Services
<b>CMT Lead:</b>	Sue Butterworth Director of Children's Services
<b>Report Author and contact details:</b>	Sean Cable Committee Officer <a href="mailto:sean.cable@havering.gov.uk">sean.cable@havering.gov.uk</a>
<b>Policy context:</b>	This decision has implications for all schools, located across all wards in the Borough.

In accordance with Paragraph 17 of the Overview and Scrutiny Committee Rules, a requisition signed by two Members representing more than one Group (Councillors Keith Darvill and Gillian Ford) has called in the decision of the Cabinet Member dated 11 July 2012. The text of the requisition appears at the end of this report:

### CABINET DECISION

At its meeting on 11 July 2012 Cabinet considered a report on the future shape of education services in the borough and made the following decisions:

1. To retain in house a smaller number of teams with responsibility for delivering the authority's **statutory duties** to vulnerable children and families, and those relating to preventing school failure. (Implementation April 2013).
2. (a) To explore two options for the **non statutory functions of Hsis** during July:
  - the establishment of a non statutory Havering School Improvement Service (Hsis) Trust with local schools
  - a "soft market testing" exercise to establish the level of external interest in running the service.
2. (b) That a final decision about the "destination" of this service is made following this work. (Implementation April 2013).
3. To note that work continues to ensure that the non statutory traded services of the Europa Centre, Catering Service, Adult College and the Music School meet their MTFs savings targets, whilst options continue to be explored for the future delivery of these services.

**Reasons for decisions:**

To ensure that the Council is able to meet its statutory obligations to support children, families and schools, but within a reduced funding envelope, thereby ensuring the provision of high quality schooling to local residents and protecting the most vulnerable children and families

**Other options considered and rejected:**

To no longer provide statutory services to schools and operate a “free market”, with the associated risks for the future lives of children and families in Havering and the long term reputation of Havering as a place in which businesses wish to locate and families wish to live.

**REASONS FOR REQUISITION**

To examine the options and recommendations contained in the Report to Cabinet.

Specifically, the requisition seeks to clarify the following issues:

- There is no option identified to work with the existing model. Our services have a high buy in rate so what consideration has been given to expanding and growing these services even further into other boroughs?
- Recommendation 2 (b) page 69, who will be making the final decision?
- All of the options need to be discussed by the Children & Learning Overview & Scrutiny Committee

**RECOMMENDATION**

**That the Committee considers the requisition of the decision of Cabinet and determine whether to uphold it.**



# CABINET

# REPORT

**11 July 2012**

**Subject Heading:**

Future Shape of Education Services

**Cabinet Member:**

Councillor Paul Rochford

**CMT Lead:**

Sue Butterworth  
Director of Children's Services

**Report Author and contact details:**

Mary Pattinson, Head of Learning and Achievement. Tel, 01708 433808; email [mary.pattinson@havering.gov.uk](mailto:mary.pattinson@havering.gov.uk)

**Policy context:**

This decision has implications for all schools, located across all wards in the Borough.

**Financial summary:**

The growth of academies in Havering has led to changes in the role of local authorities and an associated reduction in the total amount of funding directly available to the Authority (estimated at £1.3-£1.8m in 13/14). These changes have led to a review of education services provided by the Authority to deliver the required efficiency savings.

**Is this a Key Decision?**

Yes

**Is this a Strategic Decision?**

Yes

**When should this matter be reviewed?**

April 2014

**Reviewing OSC:**

Children's Services

## **The subject matter of this report deals with the following Council Objectives**

Ensuring a clean, safe and green borough	<input type="checkbox"/>
Championing education and learning for all	<input checked="" type="checkbox"/>
Providing economic, social and cultural activity in thriving towns and villages	<input type="checkbox"/>
Valuing and enhancing the lives of our residents	<input checked="" type="checkbox"/>
Delivering high customer satisfaction and a stable council tax	<input checked="" type="checkbox"/>

## SUMMARY

This report outlines a number of proposals for the future delivery of education services from April 2013. It reflects the Council's strategic aim to become a smaller, more streamlined organization, which, as a consequence, changes the principles upon which services are delivered. It sets out the national and local contextual factors which have been used to determine the future shape of the service.

It also acknowledges the importance of retaining services within the council which ensure that there is;

- ⤴ A sufficiency of high quality early years and school places, and provision for vulnerable children and adults (up to the age of 25).
- ⤴ Appropriate assessment and support for the Borough's most vulnerable children and young people.
- ⤴ A team to prevent school failure, by prompt and appropriate intervention.
- ⤴ Improving pupil outcomes by schools, so the council can strengthen the reputation it has within the business community as an attractive area to locate.

It highlights the impact of a rapidly changing landscape of relationships between schools and the Local Authority, in which:

- ⤴ Schools have an option to exercise greater freedoms and flexibilities through increased autonomy by conversion to Academy status.
- ⤴ There is subsequent reduction in the levels of funding received historically by the Council - in addition to the national 'deficit reduction' programme.
- ⤴ The role of the council, through its Children's Services Department, is defined fundamentally by the delivery of its statutory functions.
- ⤴ Nationally a network of Teaching Schools, National Leaders in Education and National Support Schools is in place. Schools are being encouraged to further develop the use of this school to school support function particularly to take forward aspects of continuing professional development for staff. This will include support that is available locally through art, music and sports partnerships.

The report considers how statutory and essential in-house services can be reconfigured to reflect the new role of Local Authorities but at a reduced cost and increased efficiency. It goes on to suggest a number of options for some parts of the service that will no longer be delivered directly by the Authority.

The non statutory education services, of the Europa Centre, Catering Service, Adult College and the Music School, which provide support to children,



families and schools, are not discussed in this report. A further report will be presented at a later date once final options and recommendations have been identified for these teams.

## RECOMMENDATIONS

1. To retain in house a smaller number of teams with responsibility for delivering the authority's **statutory duties** to vulnerable children and families, and those relating to preventing school failure. (Implementation April 2013).
2. (a) To explore two options for the **non statutory functions of Hsis** during July:
  - the establishment of a non statutory Havering School Improvement Service (Hsis) Trust with local schools
  - a "soft market testing" exercise to establish the level of external interest in running the service.
2. (b) That a final decision about the "destination" of this service is made following this work. (Implementation April 2013).
3. To note that work continues to ensure that the non statutory traded services of the Europa Centre, Catering Service, Adult College and the Music School meet their MTFs savings targets, whilst options continue to be explored for the future delivery of these services.

## REPORT DETAIL

1. **Introduction**

- 1.1 The national context for education is changing as schools are now actively encouraged by central government to consider greater degrees of autonomy – principally by conversion to Academy status.
- 1.2 This requires a fundamental appraisal of the established relationships between schools and the local authority, with the requirement to undertake a thorough evaluation and redesign of services previously provided at no cost to schools, or with a significant subsidy from the Council.
- 1.3 This process is set against a general and significant reduction overall in the levels of historic funding received by councils in addition to the impact of the national ‘deficit reduction’ programme.
- 1.4 This report is predicated on the principle that the London Borough of Havering’s key strategic aim is to become a smaller, more streamlined organization, which therefore changes the principles upon which services are delivered. At the same time, the report recognises the need to maintain and improve upon the rates of progress achieved by the borough’s schools, and to ensure that all children and young people have appropriate provision in place for them in terms of their educational need.

## 2. **National and Local Context**

- 2.1 There have been a significant number of changes to the national and local context within which local authority education provision is determined. Three of the main changes have been set out below.

### Provision

- 2.2 Over the last two to three years there has been a significant change in the diversity of provision for schools. This new provision includes the growth of Academies, Free Schools, Studio Schools and University Technical Colleges (UTCs) ie state funded, independent schools where the Local Authority has a smaller statutory role. In Havering there are currently 12 Academies, out of the 18 secondary schools, and one planned UTC (at CEME). The number of secondary or primary academies in Havering may increase over time. In addition, as part of Havering’s Primary School Expansion Programme for 2014 onwards, new primary academies and/or Free Schools will develop to fill the need for new schools.

### Roles and Responsibilities of Local Authorities

- 2.3 Associated with this increasing range of education providers has been a review and redefinition at national level of the role of local authorities. As a result the LA’s role has been clarified by the Department for

Education as that of “education champions” with responsibilities to ensure:

- a) high quality provision is available for all children and young people, by the commissioning of places for children between the ages of 2-5, i.e. Early Years provision, Schools (5-19), and for those children and young people with special (up to 25) or additional needs or who have been excluded from school;
- b) equity of provision by ensuring strong and robust challenge and early intervention where an individual child, groups of pupils or a school’s performance is identified as causing concern e.g. where a group of pupils’ are performing below national expectations , there is unfair practice leading to inequality, schools are in financial difficulty or there is unfair or unsafe practice taking place or early signs of school failure;
- c) strong partnership working with all agencies to ensure the well-being of all children and young people, irrespective of their needs or the governance arrangements of the school.

2.4 Further details of the Authority’s statutory responsibilities are set out in Appendix One.

### Funding

2.5 Associated with the changes set out above, there have been changes in the way local authorities are funded for their support to children and young people, and schools. In particular the way that funding for Academies, Free Schools and University Technical Colleges (UTC)s takes place, i.e. that money previously given to the LA to distribute now by-passes it, and goes directly to these schools. This consequent reduction in funding available to support the most vulnerable children and schools is taking place at a time when the council’s overall central funding is being reduced.

2.6 In addition to specific ‘education’ grant reductions the council, like all other councils nationally, is looking to reduce its size and cost and has therefore identified MTFS council wide savings targets for all service areas.

2.7 The table below is a summary of the MTFS savings relating to services provided from Learning & Achievement. The proposals within this report will achieve savings above those already identified through the MTFS process.

Summary of Learning and Achievement and Traded Services MTFs Savings

<b>Service</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15 and beyond</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Restructure of Additional Educational Needs Service	0	95	95
School Improvement Transformation	177	322	322
Traded services	100	450	900
Implementations of SEN Green Paper	0	50	100
School Transport	200	600	600
<b>Total</b>	<b>477</b>	<b>1,517</b>	<b>2,017</b>

2.8 In addition to the council wide savings identified above local academy growth in Havering has led to a reduction in funding both to the council through its central Department of Communities and Local Government (DCLG) grant (see below) and through losses through the Dedicated Schools Grant (DSG) of £746,941 to some services that support children, young people and schools.

Summary Table of DCLG Reductions

<b>Grant</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
Council Grant (DCLG)	£630,000 *1	£1.13 m *1	£1.3-£1.8m *2

\*1 Decision was made in Havering for these DCLG grant reductions to be absorbed corporately.

\*2 This an estimate. The DFE has not yet announced the methodology for calculating DCLG grant reductions in 2013/14.

2.9 These three factors have led to a major review of education services in Havering. However alongside the significant funding reductions set out above consideration has also been made of the current standards being attained by schools within Havering. This is particularly important as the changes set out above are taking place at a time when the rate of improvement in the performance of schools, is slowing down; when the gap between the performance of most children and our most

vulnerable remains significant and when many schools in Havering are judged by Ofsted as only satisfactory or below.

### Outcomes for Children and Young People in Havering

2.10 The tables in Appendix 2 set out this broader context and are important when considering the size and scope of the education services that are needed to maintain and strengthen outcomes for Havering children, when the rate of improvement in early year's settings and at all key stages in schools within Havering is slowing down. The rate of improvement is also slowing compared to national rates of improvements in most key stages. Work to address the gap in performance between the average child in Havering and those who are vulnerable, those in receipt of FSM, LAC and SEN, is taking place and it is reducing; however the gap is still too large.

### Ofsted

2.11 Performance in schools in Havering as measured by Ofsted inspections is generally good however there is a large number of schools that remain satisfactory. Currently 22% of primary schools and 35% of secondary schools are judged as satisfactory, as well as there being a number of schools who have remained satisfactory for more than two Ofsted inspections.

2.12 These schools represent a particular area of focus for the Council as a result of the re-framing of the OfSTED framework from January 2012, to be revised further from September 2012. These schools in principle, together with those who are assessed by inspection teams as performing well but 'coasting', are vulnerable to a judgement of failure to provide adequate education, and potential direct intervention by the Department for Education.

2.13 Each of these factors has been important in determining the shape and size of services that need to be retained by the council to provide support both the most vulnerable and prevent school failure. Therefore the recommendations are:

### 3. **Recommendation One**

3.1 **To retain in house a small number of teams that are responsible for delivering the authority's statutory duties to vulnerable children and families, and those relating to preventing school failure. (Implementation date -April 2013).**

3.2 The duties relating to vulnerable children, families and school improvement have recently been revised by the government and this has led to a review of the resources necessary to deliver these reduced responsibilities. This particularly relates to the area of school improvement where the responsibility of local authorities has changed

very significantly. The proposal set out below is to reconfigure the teams who are responsible for delivering these duties, at the same time as reducing the cost to the council. The current structure consists of nine teams, all of whom have responsibility for aspects of this delivery. The proposal is to consolidate the skills and experience into four teams. The composition of three of those teams is set out below. The Foundation Years and Information and Advice team has not been included as it will be reviewed in 2013/14.

### **'Inclusion Service'**

- 3.3 This new service brings together the current Special Education Needs Services (Education Psychology, SEN, Under 5's Inclusion Service, Learning Support Service) which support children with identified learning needs, with the Inclusion and Behaviour Support Service which support children with identified behaviour needs. This will bring together the teams who provide support for our most vulnerable children including those with identified special and significant behaviour needs including those at risk of exclusion, into one integrated team. The final configuration of this team will need to be confirmed at a later date as the newly released White Paper on SEN, and the evolving arrangements for attendance and alternative provision, will impact on the delivery of these services but will also create opportunities to identify further savings.
- 3.4 The Behaviour Support Service is a traded service with schools. The intention is that the team should continue to generate significant income through selling its services to schools but also provide a Council and Early Intervention Grant (EIG) funded targeted service to those children and families with the greatest need. This will be a reconfigured service with some proposed changes to management structures and administrative support to meet the needs of the new integrated service.

### **'Pupil Place Planning Service'**

- 3.5 This new service includes parts of two existing teams, Admissions (currently in Additional Educational Needs (AEN)) and 14-19 team (currently in Young People and Adult Learning (YP&AL)), and includes the School Organisation Team (currently managed within Social Care and Learning Commissioning Team).
- 3.6 It creates an integrated team which will have the statutory responsibilities for ensuring high quality provision for children from reception through all their schooling to aged 19, and up to 25 years for those young people with learning difficulties and disabilities (LDD).
- 3.7 It replaces these disparate parts of individual teams all of which have part of this statutory function, and therefore brings together the statutory responsibility for all pupil place planning and processes and

will ensure this is a streamlined and effective service. Again this will be a reconfigured service with some proposed changes to management structures and administrative support to meet the needs of the new integrated service.

### **'Quality Assurance and Prevention Service'**

3.8 This new service will be responsible for delivering the statutory services to prevent school failure. In addition the Governing Body Support Unit (GBSU), School Finance and School Human Resources teams will continue to generate income. Retaining the income generating elements of these teams in-house reduces costs to the council as significant efficiencies can be created through this approach. This team is also likely to include some other statutory functions currently residing in the Children and Young People's team.

3.9 The benefits of this proposal are that the cost to the Council for these services in a new streamlined team, with associated changes to management structures and administrative support, would be reduced, at the same time as creating an integrated team whose major responsibility is to prevent school failure. This integrated service will provide rigorous locally based and frequent, quality assurance activities for all school provision, identifying where intervention is needed, holding schools to account and commissioning some additional provision where necessary to support maintained schools to improve; whilst monitoring progress to ensure rapid improvement. This team will work very closely with the Pupil Place Planning Team to ensure high quality schools are expanded and built. Quality services would be provided to schools to ensure:

- a strengthening of school provision in Havering, improving outcomes for children, especially the most vulnerable ;
- that the Council can more effectively manage its employment and financial responsibilities and liabilities, and reduce the significant litigation risks it has as an employer for the community and voluntary controlled schools;
- both the traded and statutory areas play a key quality assurance role and reduce the risk of financial irregularities, employee relations issues and school failure;
- there is the potential to respond promptly and intervene effectively to schools who are placed in a category of concern either by the Authority or Ofsted.

### **Indicative Staffing Changes achieved by this recommendation**

3.10 As set out above the proposal sets out to increase efficiency and streamline services wherever possible, therefore reducing cost to the Council. The proposals will reduce the number of teams from nine to four, with an associated reconfiguration of service delivery which is expected to bring greater efficiencies. This will provide an opportunity

to review job descriptions for these reconfigured teams, including a review of Learning & Achievement back office functions. Early analysis would indicate some staffing reductions, as activities previously undertaken by the council are undertaken directly by schools and academies, and a reduction in management posts at all levels across the service.

## **Summary**

3.11 The recommendation is for the statutory functions carried out by the services that support the most vulnerable children and families are retained within the council, but at reduced cost. In addition the statutory functions of the remaining “school improvement” teams form a new ‘Quality Assurance Service’, and together with the statutory and essential, services delivered by the Governing Body Support Unit, Schools’ Human Resources and Finance teams.

## **4. Recommendation two**

- 4.1 a) To explore two options for the **non statutory functions of Havering School Improvement Services (Hsis)** during July:
- i) the establishment of a Trust with local schools;
  - ii) a “soft market testing” exercise to establish the level of external interest in running the service.
- b) That a final decision about the “destination” of this service is made following this work. (Implementation April 2013).
- 4.2 The non statutory services provided by Hsis are well regarded by schools in Havering. The service is also expanding into other neighbouring authorities. This service provides school improvement support to school leadership teams, subject and aspect support for example in ICT and assessment practice. It also provides significant amounts of continuing professional development through both the provision of courses and in school events. The number of schools choosing to buy back from Hsis is high. In 2011-12 100 % of primary schools and 82% of secondary schools bought some form of support from this team.
- 4.3 Recommendation one, set out earlier in the report, is that these non statutory school improvement services are not retained in house. Therefore there are three options related to this non statutory part of the team:
- 1. To do no further work to support the continuation of this service.
  - 2. To deliver these services in a non statutory Hsis trust with schools
  - 3. Externalise the delivery of these services



- 4.4 **Option One** -To do no further work to support the continuation of this service.
- 4.5 This option puts at risk a service that is well regarded and valued by schools in Havering and which provides a significant level of support to Havering schools to improve. It would also increase the level of redundancies across the council.
- 4.6 **Option Two**- To explore the delivery of these services in a trust with schools in July.
- 4.7 This option would be explored via discussion with schools in planned meetings in July. In order for the service to have a sustainable future, schools would be expected to undertake a long term commitment to take over full responsibility for the staff and service delivery thereby ensuring that the high quality support to schools in Havering continues in the long term. The advantages of this include the release from the council of the management obligations and costs of the service at the same time as creating an opportunity for a joint ownership and commitment to service delivery by schools.
- 4.8 In order for this to be successful there would need to be a long-term commitment by a significant number of schools in order to take on the legal, financial and HR liabilities, as well as an investment in the governance and management structures to run the trust. At present no serious interest has been expressed by local schools. New headteachers or changes in governance would also puts this Trust model at risk.
- 4.9 **Option Three** - Externalise the delivery of these services
- 4.10 This option would be undertaken through a soft marketing exercise to “test the market” during July. This would identify as to whether there are any organisations who would be interested in taking over the running of this highly valued service. The advantages of this option is that it releases the full overhead of costs, potentially protects future employment of staff, preserves Havering heritage created through the investment of Havering taxpayers whilst ensuring a minimum level of provision in areas no longer in Council remit.
- 4.11 The major disadvantages are that there is a potential loss of control of range, type, cost, configuration and potentially losing the quality of service available to Havering Schools and the LA alongside a possible lack of distinction between the Havering service and any other local or national education services company.

### **Summary**

- 4.12 To explore both options two and three at the same time. Thereby establishing the level of interest both within schools and other external

organisations during July, with a decision about the final option made in early September 2012.

## REASONS AND OPTIONS

**Reasons for the decision:** To ensure that the Council is able to meet its statutory obligations to support children, families and schools, but within a reduced funding envelope, thereby ensuring the provision of high quality schooling to local residents and protecting the most vulnerable children and families.

**Other options considered:** To no longer provide statutory services to schools and operate a “free market”, with the associated risks for the future lives of children and families in Havering and the long term reputation of Havering as a place in which businesses wish to locate and families wish to live.

## IMPLICATIONS AND RISKS

### **Financial implications and risks:**

A funding reduction of between £1.3-£1.8m is expected (pending final announcement) from 2013/14 as a result of reductions to the Department of Communities and Local Government (DCLG) grant. The proposals as outlined within this report are intended to make savings as a result of this fall in the Council’s grant. Savings realised as a result of a restructure process will only be quantifiable once the Organisational Change and Redundancy Policy and Procedure has been applied. A restructure will feed into the Sept 2012 HR1.

Services included within this process are already contributing towards future MTFS targets of £595k for the financial year 2013/14, and £1,095k from 2014/15. It is important the rationale to achieve these savings is preserved, or alternative delivery methods will need to be identified from within Learning and Achievement. The savings proposals to respond to the DCLG reductions are outside the existing MTFS as the impact of this was not known at the time of setting the current budget strategy. Therefore this report outlines the initial proposals to deliver a streamlined Education service. The services budgets currently sit within the Learning and Achievement activity and savings are to be sought from Council funded activity. The impact of the reduction in DCLG grant on corporate support services is yet to be assessed

After market exploration of the two options for delivery of the non-statutory functions, should the establishment of a trust prove a viable option there would be related TUPE and pension cost implications, and possible set up costs. A full scoping of the financial implications and risks arising will need to be done to feed into the option appraisal. Likewise, any externalisation would be carried out via a full procurement exercise should the market testing indicate this option is feasible. This process would be subject to the appropriate authorisations and financial appraisal.

Should a new entity be established there would be a resultant impact on central support services, which would need to be considered in terms of the financial impact on Council overheads.

The exploration of options concerning delivery of non-statutory traded services will include an appraisal of the financial implications and risks. Decisions on the future of these services will be subject to the necessary authorisation process.

### **Legal implications and risks:**

The Council has a number of statutory duties. These are set out in Appendix 1. The proposals here will reduce the size of the teams supporting children, families and schools and could put at risk the effective delivery of those duties.

The legal implications of any staff transfer are addressed in the HR implications section below. Depending on the future decisions on the Hsis operation there may be legal issues around the procurement of such services in future.

### **Human Resources implications and risks:**

The management structure for the new services will need to be reviewed, including introducing new Service Manager Posts. As a consequence, there may be a risk of redundancy affecting some staff, in which case the changes would need to be managed and implemented in accordance with the Council's Organisational Change and Redundancy Policy and Procedure. It is likely that a consultation period of 90 days would be required, giving a lead time between commencing consultation and the effective date of any changes of six to seven months. Should any further changes to the teams be proposed once the new Service is established, the HR implications would need to be considered at that time.

The key consideration where services are to be provided by a separate legal entity is whether the provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) will apply to the transfer. TUPE will apply if the transfer of services falls within the definition of either a "business transfer" or a "service provision change" as set out in the Regulations. Detailed analysis will be required once a recommended model and configuration has been identified.

Where TUPE applies, staff would transfer to the new legal entity with their current terms, conditions and continuous service intact. There is also an obligation to provide specified information to staff and trade union representatives relating to the transfer and its effects. In addition, there would be an obligation to consult with trade union representatives where any “measures” or changes to working conditions or practices are proposed.

Significantly, should there be a TUPE transfer, The Best Value Authorities Staff Transfers (Pensions) Direction 2007 requires that broadly comparable pension protection is secured for transferring employees. The new legal entity may be eligible to apply for Admitted Body status under the LGPS so that transferring staff could continue to have access to the LGPS. Admission would require the approval of the Pensions Committee and may require further approval of the Secretary of State.

There would be various costs associated with pension provision should a new legal entity be admitted to the LGPS. Actuary costs would be incurred to determine the value of fund allocated to the new legal entity, the applicable employer contribution rate and bond required. The new legal entity would have ongoing employer contribution rates and potentially the costs of providing a bond to cover its liabilities to the LGPS. If the legal entity is admitted on a fully-funded basis, the Council would bear the additional pensions back-funding cost for those staff that had transferred.

Should significant numbers of staff transfer to a new legal entity, any consequential impact on support services within the Council would need to be considered, for example Internal Shared Services, Finance and Human Resources.

### **Equalities implications and risks:**

A full Equality Impact Analysis (EIA) of these proposals has been undertaken, alongside consideration of relevant data and evidence where available.

For pupils from groups with protected characteristics, attainment data reveals some particular issues for services to continue to address, including: relative lower school attainment gaps by boys; white British pupils; children living in poverty and looked after children.

However, the proposed changes themselves are unlikely to directly affect pupils from groups with protected characteristics, as long as the redesign of how services are delivered continues to include investment in equalities training and monitoring, targets and bespoke services where specific need is identified.

It is therefore essential that issues relating to the proactive support of the letter and spirit Equality Act are always included within service plans, monitoring and external contracts. Should these safeguards remain in place, the proposed redesign of services will provide greater flexibility and more

resource to front-line services, allowing better support for pupils (whether or not from groups with protected characteristics) with identified needs, alongside more efficient use of reduced resources.

For staff, the proposed changes are likely to affect individuals from all walks of life and backgrounds. It is likely that more female rather than male staff will be affected by the proposed changes. It will mean that for some they experience in-house reorganisation. For others it may mean that they experience a change of employer. Relating to office changes, should a staff member change office location, access ensuring equality of access will be essential.

Detailed workforce data is not currently available. Therefore the EIA recommends further development a workforce profile to more fully identify any address any equalities implications of the proposed changes.

In conclusion, whilst no major impacts specific to groups with protected characteristics are noted, ensuring ongoing awareness of equalities, training and promotion of a proactive approach to equalities will be essential. This will include ensuring full consideration of the specific needs of all protected groups.

## **BACKGROUND PAPERS**

**None**

## **Appendix 1 -Statutory Functions by teams in the new service**

### **'Inclusion Service'**

- Act as effective and caring corporate parents for looked after children, with key roles in improving their educational attainment, providing stable and high quality placements and proper planning for when they leave care.
- Ensure that disabled children and those with special educational needs (SEN) can access high quality provision that meets their needs and fund provision for children with statements of SEN.
- Must ensure arrangements are in place for alternative provision for children outside mainstream education or missing education (eg due to permanent exclusion or illness) to receive suitable full-time education.

### **'Pupil Place Planning Service'**

- Ensure that disabled children and those with special educational needs (SEN) can access high quality provision that meets their needs and fund provision for children with statements of SEN.
- Ensure fair access to all schools for every child in accordance with the statutory School Admissions and School Admissions Appeal Codes and ensure appropriate information is provided to parents.
- Must ensure provision for suitable home to school transport arrangements.
- Actively promote a diverse supply of strong schools, including by encouraging good schools to expand and, where there is a need for a new school, seeking proposals for an Academy or Free School.
- Promote participation in education or training of young people, including by securing provision for young people aged 16-19 (or 25 for those with learning difficulties/disabilities).

### **"Quality Assurance and Prevention Service"**

- Act as effective and caring corporate parents for looked after children, with key roles in improving their educational attainment, providing stable and high quality placements and proper planning for when they leave care.
- Must ensure arrangements are in place for alternative provision for children outside mainstream education or missing education (eg due to permanent exclusion or illness) to receive suitable full-time education.
- Actively promote a diverse supply of strong schools, including by encouraging good schools to expand and, where there is a need for a new school, seeking proposals for an Academy or Free School.
- Take rapid and decisive action in relation to poorly performing schools, including using their intervention powers with regard to maintained schools and considering alternative structural and operational solutions.

- Develop robust school improvement strategies, including choosing whether to offer such services in a competitive and open school improvement market, working beyond local authority boundaries.
- Promote high standards in education by supporting effective school to school collaboration and providing local leadership for tackling issues needing attention which cut across more than one school, such as poor performance in a particular subject area across a cluster of schools.
- Support maintained schools in delivering an appropriate National Curriculum and early years providers in meeting the requirements of the Early Years Foundation Stage (as outlined in the EYFS Statutory Framework).
- Establish a schools forum for their area, maintain a scheme for financing maintained schools and provide financial information.
- Undertake specified responsibilities in relation to staffing and governance of maintained schools.

### **Foundation Years and Independent Advice Service**

- Act as effective and caring corporate parents for looked after children, with key roles in improving their educational attainment, providing stable and high quality placements and proper planning for when they leave care.
- Ensure that disabled children and those with special educational needs (SEN) can access high quality provision that meets their needs and fund provision for children with statements of SEN.
- Promote high quality early years provision, including helping to develop the market, securing free early education for all three and four year olds and for all disadvantaged two year old, providing information, advice and assistance to parents and prospective parents, and ensuring there are sufficient Sure Start children's centre services to meet local need and sufficient childcare for working parents.
- Support maintained schools in delivering an appropriate National Curriculum and early years providers in meeting the requirements of the Early Years Foundation Stage (as outlined in the EYFS Statutory Framework).

## Appendix Two

### Outcomes for Children and Young People

The tables below set out the local context in terms of outcomes for children in Havering and therefore the scope of the education services that are needed to maintain and strengthen outcomes for Havering children.

#### Performance of Children and Young People in Havering Overall

		2009	2010	2011
		%	%	%
Early Years (% 78+ and CLLD & PSED)	Havering	55.2	59.5	58.6
	National	52	56	59

			2009	2010	2011
			%	%	%
KS1	Reading (L2B+)	Havering	75	78	79
		National	72	73	74
	Writing (L2B+)	Havering	63	67	68
		National	60	60	61
	Maths (L2B+)	Havering	76	78	78
		National	74	73	74
KS2	Havering (L4+ Eng & Ma)		77	75	77
	National		72	74	74
KS4	Havering (5+ A-C & Eng & Ma)		58	62	64
	National		50	54	57

The table above shows how the rate of improvement in early year's settings and at all key stages in schools within Havering is slowing down. The rate of improvement is also slowing compared to national rates of improvements in most key stages.

#### Performance of Vulnerable Pupils

The gap in performance between the average child in Havering and those most vulnerable is reducing; however the gap is still too large.

Average Total EYFSP Score, ie Early Years	2009	2010	2011
LA % gap between median & bottom 20%	29.0	28.7	27.5



	KS1 Reading, Writing, Maths (2b+)			KS2 English & Maths (L4+)			KS4 (5+ A-C inc. Eng & Ma)		
	2009	2010	2011	2009	2010	2011	2009	2010	2011
FSM	53	58	63	58	63	62	30	36	38
	42	47	50						
	58	64	64						
Non FSM	78	81	82	79	77	80	60	64	66
	65	70	71						
	78	81	81						

The tables above shows the significant gap in the performance of children in receipt of free school meals and those who are not in receipt of free school meals. It is clear that the gap in most key stages remains between 18 and 28 percentage points.

	KS1 (2b)			KS2 (L4)			KS4 (5+A-C inc. Eng & Ma)		
	2009	2010	2011	2009	2010	2011	2009	2010	2011
LAC	38	-	67	-	14	42	35	21	22
	25	-	33						
	38	-	33						
Non LAC	75	78	79	77	78	77	58	62	64
	63	68	68						
	76	78	78						

The table above shows a more significant gap for our children who are looked after and those who are not. The percentage gap ranges from 12 to 42 percentage points.

	KS1 (2b)			KS2 (L4)			KS4 (5+A-C inc. Eng & Ma)		
	2009	2010	2011	2009	2010	2011	2009	2010	2011
SEN	34	34	32	34	37	34	15	26	22
	17	19	20						
	37	40	36						
Non SEN	86	89	90	89	90	89	66	69	70
	75	78	79						
	86	88	89						

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## CHILDREN & LEARNING OVERVIEW & SCRUTINY COMMITTEE

9 August 2012 (Special)

<b>Subject Heading:</b>	Commissioning School Places Strategy 2012/13 – 2016/17
<b>CMT Lead:</b>	Sue Butterworth Director of Children’s Services
<b>Report Author and contact details:</b>	Sean Cable Committee Officer <a href="mailto:sean.cable@havering.gov.uk">sean.cable@havering.gov.uk</a>
<b>Policy context:</b>	The Strategy has implications for all wards in the borough.

In accordance with Paragraph 17 of the Overview and Scrutiny Committee Rules, a requisition signed by two Members representing more than one Group (Councillors Keith Darvill and Gillian Ford) has called in the decision of the Cabinet Member dated 11 July 2012. The text of the requisition appears at the end of this report:

### **CABINET DECISION**

At its meeting on 11 July 2012 Cabinet considered the Commissioning of School Places Strategy 2012/13 – 2016/17 and made the following decisions:

1. To approve the draft Commissioning School Places Strategy 2012/13-2016/17 (CSPS)
2. To approve the circulation of the draft CSPS for consultation to all stake holders in school place planning
3. To delegate the determination of the final CSPS, to the Cabinet Member for Children Service’s and the Group Director for Children’s Services.
4. To note that a further report will be going to Cabinet in September 2012, which will set out the details of each expansion scheme, the consultation process and indicative costs and funding for each scheme

### **Reasons for decisions:**

This decision is necessary to progress the strategy for ensuring there are sufficient school places in Havering to meet the rising pupil population.

### **Other options considered and rejected:**

It was considered that the Council could proceed with the expansion programme without an agreed CSPS in place. However as the Council is in the leadership role

for this major and long term expansion programme it should be consulting with stake holders on its proposed strategy for meeting the challenge of the rising school population and in so doing reduce the risk of these plans being unsuccessful.

### **REASONS FOR REQUISITION**

1. To examine the availability of spare accommodation which will meet some of the increased demand (see para 2.4. of the Report to Cabinet)
2. To examine the implications of the proposed strategy for home to school travel particularly relating to primary schools.
3. To consider the financial difficulties that schools will face as a consequence of the increase in pupil numbers in the current funding arrangements.
4. Page 58, 4<sup>th</sup> paragraph down it quotes 2006/07 as the beginning of the birth rate rise however in the second paragraph from the bottom it suggests 2007/08 as the beginning of the increase. Could you please confirm the correct year.
5. Page 61, 4<sup>th</sup> paragraph down, 2<sup>nd</sup> sentence needs re wording as it currently doesn't make sense.
6. Page 64, 2<sup>nd</sup> paragraph from the bottom refers to the Technical feasibility work on secondary schools is this all schools including academies or just community schools?
7. In fairly recent times we have experienced school closures and amalgamations; under the premise primary numbers were falling. How have you mitigated the risk against unnecessary growth or insufficient growth?
8. Admissions are currently overseen by the authority in partnership with schools; however Academies and Free schools will determine their own admission numbers. What measures are being put in place to alleviate the pressures this would bring to community schools budgets and the availability of pupil places?
9. Have any sites been considered for the development of Academies or Free schools and how many expressions of interest have been shown to date?
10. Thurrock now has Primary Academies. How many Primary schools have shown an interest in becoming Academies in Havering?
11. The debate around Free schools is increasing intensity. Could the Cabinet Member confirm if representation has been made to the DFE concerning the free for all that will develop when Academies and Free Schools determine admission numbers, the lack of cohesion academies and Free Schools bring to borough standards of education and if representation has been made to Ministers over the pressures the new housing policy is having on school admission numbers?
12. Any growth or shrinkage of schools becomes a hot potato for parents and residents. Would the Cabinet member agree to the Children Overview & Scrutiny supporting this process before decisions are taken and could we have a reassurance that the relevant ward Councillors are briefed on any proposals in their area.

### **RECOMMENDATION**

**That the Committee considers the requisition of the decision of Cabinet and determine whether to uphold it.**



## CABINET

## REPORT

**11 July 2012**

**Subject Heading:**

Commissioning School Places Strategy  
2012/13 – 2016/17  
Cllr Rochford

**Cabinet Member:**

**CMT Lead:**

Sue Butterworth  
Group Director of Children's Services

**Report Author and contact details:**

John Farry  
Commissioner Capital & School Places  
01708 431706 [john.farry@havering.gov.uk](mailto:john.farry@havering.gov.uk)

**Policy context:**

The Strategy has implications for all wards in the borough.

**Financial summary:**

No financial implications from approving the strategy however significant costs and issues may arise as additional places are implemented. £9.9m is currently approved within 2012/13 Education Capital programme for this purpose – detailed review of financial implications to be undertaken once schemes for delivery become clearer.

**Is this a Key Decision?**

Yes

**Is this a Strategic Decision?**

Yes

**When should this matter be reviewed?**

July 2013.

**Reviewing OSC:**

Children's Services

**The subject matter of this report deals with the following Council Objectives**

Ensuring a clean, safe and green borough	<input type="checkbox"/>
Championing education and learning for all	<input checked="" type="checkbox"/>
Providing economic, social and cultural activity in thriving towns and villages	<input type="checkbox"/>
Valuing and enhancing the lives of our residents	<input checked="" type="checkbox"/>
Delivering high customer satisfaction and a stable council tax	<input checked="" type="checkbox"/>

## **SUMMARY**

By 2020 there will be around 21% more primary age children than in 2010 across the country. By 2015 all regions in England are projected to increase their primary aged population compared with 2010. Projected growth ranges from 10% to 15%, the rate for London.

In Havering the birth rate has grown substantially. This has begun to have implications for the sufficiency of places in primary schools, especially in the first year of entry (Year R). This report sets out our strategy to address this. In addition, while the Council retains statutory responsibility for ensuring there are sufficient school places to meet the needs of the population in the area, there is now an expectation that local authorities will introduce Free Schools and Academies as new providers in areas of demographic growth, and that the Council will therefore become a commissioner of additional places.

This strategy is intended to update the Cabinet on the latest school places data and set out the proposed approach to meet that growing demand for the next five years, in the context of new national expectations about this changing roll. The strategy is also intended to:

- help the school community understand the longer term population trends and the implications for their schools
- let parents and the wider community of Havering know what changes are planned and how their views and preferences have contributed to key planning decisions
- outline to potential sponsors of new schools, such as Academies and Free schools, contextual information about Havering's changing school population.

## **RECOMMENDATIONS**

That Cabinet:

1. Approve the draft Commissioning School Places Strategy 2012/13-2016/17 (CSPS)
2. Approve the circulation of the draft CSPS for consultation to all stake holders in school place planning
3. Delegate the determination of the final CSPS, to the Cabinet Member for Children Service's and the Group Director for Children's Services.

4. To note that a further report will be going to Cabinet in September 2012, which will set out the details of each expansion scheme, the consultation process and indicative costs and funding for each scheme.

<b>REPORT DETAIL</b>
----------------------

**1. Introduction**

- 1.1 By 2020 there will be around 21% more primary age children across the country compared to 2010. Between 2010 and 2015 all regions in England are projected to increase their primary aged population between 10% to 15%.
- 1.2 In Havering the total number of primary pupils needing a school place is expected to increase by 2,833 (15%) between 2011/12 and 2016/17
- 1.3 At secondary level the pattern is different with a downward trend until 2015/16 and a rising roll from 2016/17. Due to this dip in secondary numbers there are currently no plans to expand secondary schools. Further discussions may be needed at a later date once the primary growth has moved through the system.
- 1.4 This substantial change in primary population requires an agreed plan to enable the Council to continue to meet its responsibility for ensuring there are sufficient school places in the area.

**2. Primary Places**

- 2.1 The factors that have contributed to the rise in primary pupil numbers have been identified as the:
- substantial increase in the number of births within the borough
  - increase in the cohort growth between those born in Havering and those entering Reception as a result of pupils moving into the borough
  - increase in the cohort growth across all primary year groups as a result of pupils moving into the borough
- 2.2 By 2016/17, it is projected that the number of Reception pupils will exceed available places by 521. However, as these pupils are spread out across the Authority, further analysis shows that there is a projected need for 21 additional Year Reception (Year R) classes across Havering in order that Reception age children do not have to travel exceptionally long distances to school.

- 2.3 This does mean that not all classes will be full, i.e. with 30 pupils at the beginning. However, based on the 30 pupils-per-class rule, if projected future demand for any given year group exceeds 30 pupils, it is necessary to create an additional class. This will then leave capacity to accommodate any additional pupils in year.
- 2.4 On the basis of seven year groups across Primary education, 21 Reception classes will eventually mean that 147 additional classrooms will be needed by 2023. Although most of this shortfall will require new classrooms some demand will be met by bringing spare accommodation back into a suitable teaching space.
- 2.5 The result is that although 147 classrooms will have maximum capacity of 4,410 pupils, it is projected that 2,836 of this capacity (64%) will be used. As stated previously this is due to the fact that demand is not spread even across the borough, although we are very likely to reach the Audit Commission's overall occupancy level of 90% in the near future. It is important to note that this is a borough-wide figure and the levels to which individual classroom capacity is filled will vary between individual schools.
- 2.6 All indications are that the drivers for demand for primary pupil places will continue and it is prudent therefore to have significant additional capacity across the entire Havering Primary school system, to absorb potential further increased demand and also to more reliably satisfy parents' choice of school for their child(ren). It should be noted however that the schools may face financial difficulties if they have significant spare capacity as the level of funding attracted on a per pupil basis may not be sufficient to employ the required staffing levels. Contingencies have been provided by Schools' Funding Forum for this situation should it arise.
- 2.7 There is a need to provide some additional primary places by September 2012 and this is being done by providing sufficient 'bulge classes', temporary expansions of one class of 15 or 30 for one year, for each planning area of the borough. These schools have already been approached if they were located within the area of growth and had sufficient existing space to accommodate a single class and have all accepted a bulge class.
- 2.8 For September 2013 there is a projected need for 12 permanent Reception classes and 1 more for 2014. To meet this we propose to expand the capacity of a sufficient number of schools by 15 or 30 pupils, ie 0.5-1 form of entry to meet the need within growth areas.
- 2.9 Suitable schools are being selected for expansion according to the following criteria :
- that they are both popular and successful;
  - they have sufficient site area for expansion;
  - expansion will not lead to the school becoming too large;
  - and the school is located within an area of growth.



- Work is currently underway to finalise this list of schools, together with a programme of works and detailed financial implications. A further report will be brought to the September Cabinet which outlines these proposals in more detail.

- 2.10 By 2016/17 there is likely to be a need to commission up to a further eight Reception classes. By this time there may be a more limited number of schools that will meet the criteria for formal expansion. Therefore alternative options such as new schools (possibly Academies/Free schools) may need to be considered.
- 2.11 The DfE will shortly be inviting expressions of interest from sponsors seeking to open new Free Schools or Academies from 2014/15 onwards. Havering's Officers are meeting with any potential sponsors and providing them, where appropriate, with the evidence they need of where there is a shortage of new places and any possible potential sites in the borough.

**3. Secondary**

- 3.1 The projected increase in primary pupils will transfer to secondary schools. As a result we are forecasting at secondary level (11-16) that the overall number of pupils will increase by 1,229 (8%) by 2020/21 and to continue to grow further into the future.

**4. Next steps**

- 4.1 Were Cabinet to approve the draft CSPA the Strategy would then be circulated for consultation with schools, the Dioceses and all other school place planning stakeholders. Following the end of the consultation period the Strategy would be revised appropriately and then subject to approval by Lead Member be circulated as the approved CSPA for the next five years.

<b>Key milestones</b>	<b>Date</b>
Cabinet decision on Draft CSPA	11 July 2012
Consultation period	July - September 2012
Decision by Lead Member and Group Director on Final CSPA	September 2012
Circulation of approved strategy	September 2012

**REASONS AND OPTIONS**

**Reasons for the decision:**

This decision is necessary to progress the strategy for ensuring there are sufficient school places in Havering to meet the rising pupil population.

**Other options considered:**

It was considered that the Council could proceed with the expansion programme without an agreed CSPA in place. However as the Council is in the leadership role for this major and long term expansion programme it should be consulting with stake holders on its proposed strategy for meeting the challenge of the rising school population and in so doing reduce the risk of these plans being unsuccessful.

**IMPLICATIONS AND RISKS**

**Financial implications and risks:**

Approval of the draft strategy does not give rise to any financial implications; however, clearly its implementation will have significant financial implications.

**CAPITAL**

Within the Council's Education Capital Programme for 2012/13 £5.5m has been approved to fund both the replacement of the Key Stage 1 (KS1) accommodation and provision of additional places at Branfil Primary School. The implementation of additional places at this school is dependant on final forecasts of expected need and a Council decision to expand the school, following statutory consultation.

A further £9,876,472 has been approved within the 12/13 Capital Programme for the provision of additional primary school places.. This was funded from a combination of basic need grant (£3.7m) and expected S106 monies (£6.2m). Since approval of this funding additional basic need grant of £4m was received for 12/13 and this has been used to replace the expected S106 monies in the funding programme in order to reduce the risk associated around forecasting the receipts of S106 monies.

The bulk of this funding will be required to fund a permanent increase in school places from September 2013 onwards but £180k has been allocated to fund works to facilitate the admission of bulge classes in September 2012. This leaves a balance of £9,696,472 to fund places required from September 2013 onwards.

High level indications were that this £9.7m would fund the provision of additional 40 classrooms. This is obviously substantially less than the 147 classrooms required but some spare accommodation already exists within our schools and the costs of bringing these back into teaching space is much less than providing a new classroom. It is expected that the remaining classrooms may be provided as follows:

- S106 contributions / Tariffs ( actual and expected receipts are being reviewed)
- Contribution from the DSG as agreed by the Schools Forum (approx £1m)
- Further basic needs grant allocations from 2013/14 onwards (expectations are that further grant will be awarded from DfE based on pupil projections)
- Provision of places by Academies and Free Schools (not funded by the LEA)

The financial implications of the whole primary expansion programme will be kept under review as detailed plans for the delivery of additional classrooms becomes clearer. This will consider the estimated capital cost and funding sources plus the revenue implications of schools and the local authority. Any significant issues will be reported through the appropriate channels as necessary. An update will be provided to Cabinet in September.

## **REVENUE**

### **Implications for Schools**

The revenue implications for schools are that, in creating an additional class from September (eg Sept 12), additional resources will be incurred particularly for teaching and support staff. From the following financial year (eg 2013/14) the schools will receive additional funding through their budget shares as the pupils will be on roll at the date of the pupil census that is used to calculate funding. For the period September to March, however, additional resources will need to be provided. These will be met from a contingency held within the Schools Budget (funded by the Dedicated Schools Grant) as agreed by the Schools Funding Forum. As referred to above, the DSG will be increased from the following financial year as the Year R pupils are on roll; the bulk will be allocated to schools however there may be some available to fund LA services.

The contingency "pot" may reduce as a result of schools becoming academies and as such be insufficient to fund remaining schools for additional pupils.

It is proposed that from 2013/2014, the funding regime will be changing and contingency funds will be delegated to schools unless the schools forum approve otherwise. If a central contingency is not approved schools will be funded on the

basis of pupils on role in the previous January and will need to manage the in year financial consequences of any increase in admissions.

However, it should be noted that schools may face financial difficulties if they have significant spare capacity as the level of funding attracted on a per pupil basis may not be sufficient to employ the required staffing levels. At present there is a factor within the schools funding formula to allow additional funds to be allocated in these circumstances. However this will no longer be permitted in future .

**Legal implications and risks:**

The draft CSPA will be subject to consultation. It is critical to a sound consultation that it is meaningful, in other words the consultees must be given sufficient information and time to comment and their responses must be conscientiously taken into account by the decision maker before the decision is taken to finalise the CSPA.

The Council has a statutory duty to secure that efficient primary and secondary education are available to meet the needs of the population of their area. (section 13 Education Act 1996). It is clear that without a strategy to increase the provision within the Borough over the next few years the Council may fall into breach of its statutory duty.

Under Schedule 11 of the Education Act 2011 (1) If a local authority in England consider that a new school needs to be established in their area, they must seek proposals for the establishment of an Academy. The CSPA indicates that new schools are likely and as and when this arises officers will be provided with detailed legal advice.

Individual proposals will need to be submitted to Cabinet for all those schools requiring statutory approval to expand their accommodation to admit additional pupil numbers ie above 30 pupils or 25% of all school places. Detailed legal advice will be provided on individual cases as they arise.

**Human Resources implications and risks:**

As a result of a decision supporting the expansion programme, there is likely to be a need to recruit additional teaching and support staff within the relevant schools. These schools will directly manage the recruitment and selection process in accordance with the existing and relevant HR policies and procedures. Schools' HR support in relation to these processes will be provided as appropriate.

**Equalities implications and risks:**

An Equalities Impact Assessment has been conducted and the conclusion is that there would be no identified adverse impacts.

**BACKGROUND PAPERS**

- DfE Advice: Establishing a new school, Departmental advice for local authorities and new school proposers, May 2012
- Havering School Planning Data Pack Spring 2012

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