

From: Roger Gough, Cabinet Member for Education and Health Reform
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To: Education and Young People's Services Cabinet Committee –
15 December 2016

Subject: COMMISSIONING PLAN FOR EDUCATION PROVISION 2016-20

Classification: Unrestricted

Electoral Division: All

Summary:

This report provides the Committee with the opportunity to comment on the Education Commissioning Plan 2016-20 prior to final approval by Cabinet.

Recommendations:

The Education and Young People's Services Cabinet Committee is asked to consider and endorse or make recommendations on the Plan prior to the final version being considered and approved by Cabinet on 25 January 2016

1. Introduction

1.1 The Education Commissioning Plan is a five year rolling plan which is updated annually. It sets out how Kent discharges its statutory responsibility, as the Strategic Commissioner of Education Provision, to provide sufficient early years, SEND, Primary and Secondary places and to ensure that there are appropriate learning pathways for pupils at post 16. It is also our responsibility to ensure that we have enough places in the right locations, to meet the demands of increased pupil numbers and parental preferences. It reflects the fact that the Local Authority role has changed to being the commissioner, as well as continuing to be a provider, of education provision. The Plan sets out the principles by which we determine proposals, and it forecasts the need for future provision. It also sets out plans to meet the commissioning needs which arise in each district in Kent, in more detail for the next two to three years.

2. Summary of Proposals for Growth

2.1 There have been significant increases in the birth rate, birth numbers and inward migration as well as other demographic changes over recent years, which require

substantial increases in the provision of school places in the coming years. The Plan includes clear proposals for increased provision in 2016, 2017 and 2018 and looks ahead to 2019-22 with forecast data about the additional places required.

- 2.2 This updated plan for the period 2016-20 is a 'live' document which underpins our on-going dialogue and consultation with schools, District Councils, Diocesan Authorities and Elected Members, to inform the process of ensuring there are sufficient school places of good quality in the right locations, and other provision including childcare, for Kent children and families.
- 2.3 The yearly number of births in Kent increased by 25% in the period between 2002 and 2012. The number of births dropped in 2013 but rose again in 2014. The number of Primary age pupils in Kent mainstream schools is expected to continue to rise significantly until 2021-22, after which it begins to fall. The number of Secondary age pupils in Kent mainstream schools is now rising and is expected to increase from the current roll number of 77,931 pupils in 2014-15 to 96,581 in 2024-25. Planning for additional Secondary school provision is now becoming a significant focus of activity.
- 2.4 This Commissioning Plan, therefore, identifies the need for additional permanent and temporary school places each year as follows:

By 2016-17	By 2017-18	By 2018-19	By 2019-20 and beyond
<p>Primary 15.95FE permanent 218 Year R places 60 Year 2 places</p> <p>Secondary 6FE permanent 90 Year 7 places</p>	<p>Primary 17.9FE permanent 30 Year R places</p> <p>Secondary 19FE permanent</p>	<p>Primary 14.4FE permanent</p> <p>Secondary 21FE permanent</p>	<p>Primary 40.3FE permanent</p> <p>Secondary 39FE permanent 210 Year 7 places</p>

- 2.5 Much of the additional provision will be achieved by expanding existing schools. While in many cases the need for new and expanded schools is dependent on future housing development, the increase in demand for education places continues to be significant.

3. Capital Funding

- 3.1 The cost of providing additional school places is met from Government basic need grant, supported borrowing by KCC and developer contribution monies. Looking ahead to the Medium Term Financial Plan for 2016-19, KCC will no longer be in a position to undertake any further prudential borrowing to support new provision (as it has done in the past, notably with the Special Schools programme). To do so would place the Council in breach of one of its key fiscal indicators that net debt should not exceed 15% of its net revenue expenditure. Delivery of the additional school places will rely more than ever on an appropriate level of funding from central government and securing the maximum possible contribution from developers where appropriate.

- 3.2 Figure 5.1 from the Plan summarises KCC's spending and phased spending on school places for the period 2012 – 2019.

Figure 5.1: Summary of spending on school places 2012-19

To deliver places for school year	Basic Need funding	Targeted Basic Need	Council funds and borrowing	Developer contributions	Other	Total
2011-12	12,114,715		80,000			12,194,715
2012-13	5,518,713		1,026,531	6,813,479	-	13,358,723
2013-14	17,262,073	4,278,661	1,362,401	703,198		23,606,333
2014-15	22,321,641	11,196,446	2,360,261	2,455,946	79,440	38,413,734
2015-16	39,585,000	17,978,206	24,754,000	4,011,825	371,000	86,700,031
2016-17 forecast	52,508,000		55,789,000	11,446,000	-	119,743,000
2017-18 forecast	40,928,000		15,367,000	30,845,000	-	87,140,000
2018-19 forecast	Not known	0	0	10,000,000	0	10,000,000
Total	190,238,142	33,453,313	100,739,193	66,275,448	450,440	391,156,536

- 3.3 Government funding for 'Basic Need' is allocated on a formula basis which is assessed from information provided by local authorities about forecast numbers of pupils and school capacity. Such funding will only provide for predicted growth in numbers arising from changes in the birth rate and from inward net migration. KCC has received £167m in basic need and targeted basic need capital for the period 2014-15 to 2017-18. We are unlikely to see information on the 2018-19 allocation from the DfE until January 2016.
- 3.4 Our current estimate of the likely level of available funding (from all sources) when compared to our initial estimate of the costs of the provision that is needed to meet the pupil forecasts means that we face a potential funding gap of in excess of £100m across the period 2016-19. This will need to be addressed through negotiation with the DfE about the grant funding that is needed, as well as looking at the costs associated with individual schemes. We will have to find a way to close any funding gap and reduce costs. As already indicated, further borrowing by the Council would not be prudent and the level of funding for maintenance and modernisation of the existing estate is already at a low level, so KCC has little scope to divert existing other schools capital funding to support the development of new provision.
- 3.5 For new pupil places required because of new housing development it is necessary to look to other funding, specifically developer contribution monies.

4. Next Steps

- 4.1 Following the Education and Young People's Cabinet Committee's comments any final changes and amendments will be made prior to the Commissioning Plan being presented to Cabinet for consideration and approval on 25 January 2016.
- 4.2 The final approved Plan will be published as soon as it has been agreed by Cabinet.

- 4.3 The Plan will be reviewed, updated and published annually, in the autumn term, following updating of roll and forecast information and 6 monthly monitoring and review. The six month review will be reported to Cabinet Committee in summer 2016.

5. Recommendations

- 5.1 The Education and Young People's Services Cabinet Committee is asked to consider and endorse or make recommendations on the Plan prior to the final version being considered and approved by Cabinet on 25 January 2016

6. Background Documents

Education Cabinet Committee report dated 24 September 2014

<https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=832&MId=5648&Ver=4>

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