

Report for: Cabinet 3 July 2017

Item number: 12

Title: Planned admission number (PAN) for the borough's community secondary schools

Report authorised by: Jon Abbey, Director of Children's Services

Lead Officer: Eveleen Riordan, Joint Assistant Director, Schools and Learning
eveleen.riordan@haringey.gov.uk

Ward(s) affected: All

**Report for Key/
Non Key Decision:** key

1. Describe the issue under consideration

1.1. This report:

- Sets the context of an emerging national funding formula and its impact on schools' finances;
- Provides an outline of the representations we received in autumn 2016 when we consulted on proposed adjustments to the published admission numbers (PANs)¹ of our secondary community schools;
- Provides latest data on:
 - a. year 7 numbers (including for the incoming September 2017 cohort); and
 - b. school roll projections (2017) and their implications for year 7 demand now and in the future;
- Sets out how we expect to meet demand for year 7 places over the coming years;
- Sets out the proposed condition survey work we will carry out in our community secondary schools in summer 2017 to allow us to plan for any necessary capital works to facilitate:
 - a. any increase in pupil numbers within our community secondary school(s); and
 - b. head teachers and governors being able to adjust their class sizes from 27 to 30 if they wish to do so.

¹ Planned admission number (PAN) - the maximum number of pupils to be admitted into a particular year group at a school.

2. Cabinet Member Introduction

- 2.1. Following consultation across the borough, we have considered the views of stakeholders, in particular head teachers. We have decided not to implement any increases to the secondary published admission numbers for now, for a variety of reasons. We want to carry out further work into both the projected numbers of year 7 students and condition surveys of schools to assess their capacity for an increased number of pupils where necessary. Further, following the general election of 8 June 2017, we have little indication of either the continuing intention or timing of the implementation of any new national funding formula by the Department for Education. When the Department for Education provides greater clarity on the future of school funding this will inform our place planning work going forward.
- 2.2. The approach proposed in this report therefore places the Council in the most flexible position with respect to both local population changes and future changes to the school funding system nationally.

3. Recommendations

3.1. That :

- i. The Council retains the current PANs at our five community secondary schools until such time as:
 - a. condition surveys have been completed for our community secondary schools to assess how increased numbers in each school might impact on teaching, learning and recreation;
 - b. further year 7 secondary transfer applications (2018 and beyond) have taken place and school roll projections have been obtained to inform decision making in year 7 place numbers;
- ii. The Council uses bulge² classes as required if/when pupil numbers take us from a position of surplus to one of deficit between now and 2021 (2019 being the year when we project that we will need additional places);
- iii. Officers bring a further report to Cabinet if either demand or projections mean that we need additional year 7 capacity **before** 2019 at a level that cannot be met through the use of bulge classes alone.

4. Reasons for decision

- 4.1. The recommendations set out in this Cabinet report seek to ensure that we are able to continue to meet our statutory duty of ensuring enough school places but at the same time guards against an early oversupply of places which would place one or more schools in financial difficulty as a result of reduced pupil to funding ratio, as they wouldn't be able to fill rolls, which

² Bulge classes are one off additional classes in any given cohort that are used to increase the supply of school places. They are most frequently used for an unexpected spike in the demand for places that can't be met locally. They are sometimes used to accommodate increasing demand where projections mean that we aren't certain that a permanent expansion is the most effective way forward as the expansion may not be sustainable.

would have a detrimental impact on their ability to successfully manage their budget.

5. Alternative options considered

5.1. There are two alternative options that have been considered:

- i. Do nothing to increase year 7 places which carries the high risk of running out of sufficiency of school places by 2019 or before; or
- ii. Increase places now which would seem premature given the downward amendment to the year 7 projections based on 2017 projections i.e. we know we are likely to need more year 7 places but that need has a) been pushed back to 2019, and b) is to some extent alleviated by capacity additions by APS and Fortismere schools in September 2016.

5.2. We are therefore proposing a cautious but pragmatic approach around increasing year 7 capacity, but one that ensures we can react in a timely and appropriate way to both the expected (projected) and any unexpected increasing (or decreasing) demand based on 2017 and future projections.

6. Background information

6.1. A national funding formula (NFF) for schools is expected to be introduced later this year. This formula would remove the local discretion that currently allows Haringey to provide more generous funding for secondary schools when compared to the average primary/secondary school ratio. Historically Haringey secondary schools have suffered no financial disadvantage in running with PANs that are multiples of 27 rather than 30. However, the emerging National Schools Funding Formula (NFF) will be based on secondary school intakes of classes of 30 and the funding ratio between primary and secondary schools will reflect this average. A snap election was held in 8 June 2017 and at the time of the writing of this report the current government had made no announcement about any adjustment to how a formula might be applied or whether there would be any rethink on how schools are funded nationally. On that basis we must assume that a NFF will be introduced in 2017 or 2018.

6.2. As a result of this emerging NFF schools will need to look very carefully at how they manage their budgets and their class sizes to reflect the expected 10% cut in funding to Haringey schools. This work has already begun at pace with many schools looking at restructuring and redundancy(s) to save costs within their school. Some schools will also inevitably want to look at a reorganisation of class size from the current 27 to 30 to lessen the impact of the funding cuts. The matter of the internal organisation of the school, including class size, is one for the Head teacher and his/her governors but a change to PANs wholly divisible by 30 does support this move and would align Haringey with the vast majority of the rest of London and England where class sizes of 30 and not 27 are the accepted norm. Further, such a move would echo some academies in the borough who have already increased PANs or adjusted class sizes to maximise financial spend e.g. Fortismere, Woodside and Alexandra Park View. Harris Academy Tottenham open three years ago with classes of 30 and earlier this year Heartlands consulted on

moving its PAN from 2016 to 240 to allow for class sizes of 30 from September 2017.

6.3. In addition to the pressure that a NFF will put on to our schools, we know that we will begin to run out of year 7 places if we don't increase capacity. Adjusting the PAN of our secondary schools allows us to increase capacity without the need for costly capital works at any one or more schools, with most schools requiring extension(s) to accommodate additional numbers.

6.4. **PAN Autumn consultation**

In autumn 2016 we consulted on proposed adjustments to the planned admission numbers (PANs) of our five secondary community schools (Gladesmore Community School, Highgate Wood School, Hornsey School for Girls, Northumberland Park Community School and Park View School). Adjustment to the PANs would allow us to increase the number of year 7 places to respond to larger cohorts moving out of the primary phase and into the secondary phase. Our 2016 school roll projections set out that we expected to run out of year 7 places by 2018 if we didn't increase the numbers.

6.5. In changing the PAN for each school it would also allow head teachers and governors to arrange class sizes into multiples of 30 (currently broadly arranged in multiples of 27) *if* they wished to do so.

6.6. We consulted with stakeholders and also visited the Head teacher of each community secondary school to hear their views on our consultation. From Head teachers there was an overall broad acceptance that numbers in year 7 are likely to increase, albeit there was scepticism from some schools about the overall accuracy of the projections with concerns expressed that the projections were too high in expected demand for places in the next ten years. This scepticism remained despite a clear evidence base that previous years' projections had shown a margin of error of between 0.2 and 4% i.e. they were very accurate. In recent years a recession and changes to migration have had the biggest impact on being able to project as accurately as possible, although there are always other variables that impact on our projections (e.g. parental preference and cross borough boundary movement).

6.7. Despite the broad overall tentative support there were mixed views on *if and how* PANs might be adjusted across the five schools. All schools broadly agreed that bulges (one off additional year 7 classes across the different schools) *might* be an effective way to increase capacity in the short term and without the need to adjust the PAN of any or all of the schools. There were also some clear condition and suitability issues (of varying degrees depending on school) evident in the schools that might hamper how effectively an increase in pupil numbers could be delivered without capital works to address these issues.

6.8. A summary of the representations received on the PANs consultation is set out in Appendix 2 to this report.

6.9. **Next steps**

As a result of what we heard during our consultation we decided to pause on the implementation of any increase in PANs to allow us to:

- Carry out condition surveys for each of the five community secondary schools to clarify the impact that increased pupil numbers might have on classroom space, communal space and delivery of teaching, and to assure ourselves and schools that each school could accommodate an increase in overall pupil numbers if required or in class size **either with or without** capital work;
- Establish the **actual** number of year 7 applications for September 2017 entry as compared with the **projected** number of year 7 places as set out in the SPPR³: by comparing the two we would be able to establish any margin of error between projected and actual numbers which would provide a sense check on how accurate our projections are (and on which we base our school place planning);
- Evaluate the 2017 school roll projections (these were received in May 2017 and adjusted in June 2017 to take account of revised development data) to assess any shift from the 2016 and earlier years' projections on which we have based our projected need for additional year 7 places.

6.10. The first piece of new evidence we received post consultation was details of our on-time applications for secondary transfer and those pupils who would begin secondary school (year 7) in September 2017 (i.e. those applications that arrive before midnight on 31 October in any given year). The overall number received did show an **increase** of 95 applications in the demand for year 7 places (equivalent to just over three forms of entry) when compared with 2016 –

- 2017 on time Haringey residents: 2598
- 2016 on time Haringey residents: 2503

6.11. To underpin this increase from 2016 to 2017, the 2016 [School Place Planning Report](#) (SPPR) projected 2,475 Year 7 pupils: however, that number was actually 2,503 at the January 2017 pupil level annual school census (PLASC) meaning a slight **increase** (28 pupils or a form of entry) in the number of year 7 pupils in our schools in year 7 in 2017 when comparing it to the projections for that same year.

6.12. However, one further piece of evidence that is now available that we didn't have when we consulted in autumn 2016 is our 2017 school roll projections: while these are still showing an overall increase in demand for year 7 places over the coming ten years, they do show a slight dip in the level of that expected demand for places when compared with the 2016 projections (see para 6.13 and Appendix 1).

6.13. Our 2016 projections showed an expected shortfall of places of **-57** from 2018/19, rising to a peak of **-211** in 2022/23. The 2017 projections revise this shortfall downward so that we have sufficient capacity of places in 2018/19, with a deficit from 2019/20 of **-43** places, thereafter rising to a peak of **-185** in

³ SPPR – [School Place Planning Report](#)

2023/24. These 2016 and 2017 projections are illustrated in more detail at Appendix 1 to this report.

6.14. An explanation for the difference between the 2016 and 2017 projections include:

- An increase in total year 7 PAN from 2577 to 2604⁴ places meaning that Haringey schools (which are popular) can accommodate more pupils);
- Year 7 is still expected to grow, peaking at 2023/24;
- House prices are literally pricing some young families out of the market e.g. in Muswell Hill and Crouch End property is now largely unaffordable to very young families and of limited affordability of those with school age children meaning demand for school places is correspondingly falling.

6.15. In light of the above and the expected sufficiency of places up until 2019 (and even then a deficit of only one and a half classes across the whole of the borough it makes sense at the current time to pause on any permanent plans to increase capacity and rely on bulge classes(s) for 2019 *if* needed, to allow for further announcements on the NFF and to assess its impact in more detail in light of those announcements, and allow for condition surveys to be completed to better assess how any additional capacity might best be provided across our secondary community school estate having regard to both actual demand and latest projections.

7. Contribution to strategic outcomes

7.1. Sufficiency of places contributes to Priority 1 of the Council's Corporate Plan – every child and young person to have the best start in life, with high quality education.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1. The Chief Finance Officer comments that the Education Funding Agency plans to begin implementing the National Funding Formula (NFF) from April 2018. The proposals allow for some local discretion in the first two years to enable a transition from current local funding allocations to the full NFF in April 2020.

8.2. When the NFF is fully implemented actual school allocations will be subject to the Minimum Funding Guarantee (MFG) that will smooth the changes to be implemented over a number of years. The potential impact on Haringey secondary schools is affected by the schools PAN. Increasing the PAN for each school from 27 to 30 means funding could potentially be increased as it allow head teachers and governors to arrange class sizes into multiples of 30 instead of 27. The proposed changes in PAN will need to be mirrored within schools by a review of curriculum planning, pupil teacher ratios and teacher contact time which could in turn generate efficiency savings within schools.

⁴ This increase in places was as a result of Fortismere School and Alexandra Park School increasing their PAN above that published in our admission booklet

- 8.3. It should be noted that the smaller class sizes in Haringey secondary schools resulting in historically high funding differential between the primary and secondary phases which was to the financial disadvantage of primary schools: Primary schools in Haringey receiving proportionately less funding than would have been the case had the funding ratio been more in line with national averages.
- 8.4. All financial implications will be contained within the Schools Block of the Dedicated Schools Grant.
- 8.5. **Assistant Director of Corporate Governance**
Under section 14 of the Education Act 1996 the Council has a duty to secure that sufficient schools for providing secondary education for children of compulsory school are available for their area. Available schools must be sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education. "Appropriate education" means education which offers such variety of instruction and training as may be desirable in view of the pupils' different ages, abilities and aptitudes and the different periods for which they may be expected to remain at school.
- 8.6. Case law has established that the section 14 duty is not an absolute duty in that even if the Council is not in a position to offer secondary school places to all pupils applying for them, the duty is not breached provided the Council was doing all it reasonably could to rectify the situation. Accordingly provided the Council is taking all reasonable measures to ensure sufficient year 7 places, the duty is not being breached.
- 8.7. As the admission authority for its community secondary schools, the Council has a statutory obligation under the School Admissions Code to consult with the governing body of each school where it proposes to increase or keep the same PAN of that school. It is apparent from the report that this obligation has been carried out by the Council.
- 8.8. **Equality**
The Council has a statutory duty to ensure that there is sufficiency of school places in the borough. Ensuring this sufficiency across the borough contributes to our Corporate Plan's priority (Priority 1) that we enable every child and young person to have the best start in life, with high quality education
- 8.9. An Equality Impact Assessment accompanied the consultation on PANs that took place in 2016 and will be submitted as an appendix to the July 2017 Cabinet report.

9. Use of Appendices

- Appendix 1 - Comparison of 2016 and 2017 projections
- Appendix 2 – PAN consultation results from autumn 2016

10. Local Government (Access to Information) Act 1985

10.1. GLA School Roll Projection data is used to inform likely demand for year 7 places.

Appendix 1: Comparison of 2016 and 2017 School roll projections at Year 7

1. Introduction

- 1.1. School roll projections produced by the GLA between 2016 and 2017 have shown a degree of variance that has been investigated and challenged by officers at a face to face meeting with the GLA on 31 May 2017. Our summary of the variances and findings from our challenge are set out below.

2. Findings from the latest 2017 School roll projections

- 2.1. Figure 1 shows that the 2017 projections show very slightly lower forecast numbers of Year 7 places than the 2016 projections: 2,685 vs. 2,695 (by 2020/21) and 2,731 vs. 2,757 (by 2024/25).

3. Reasons for these differences

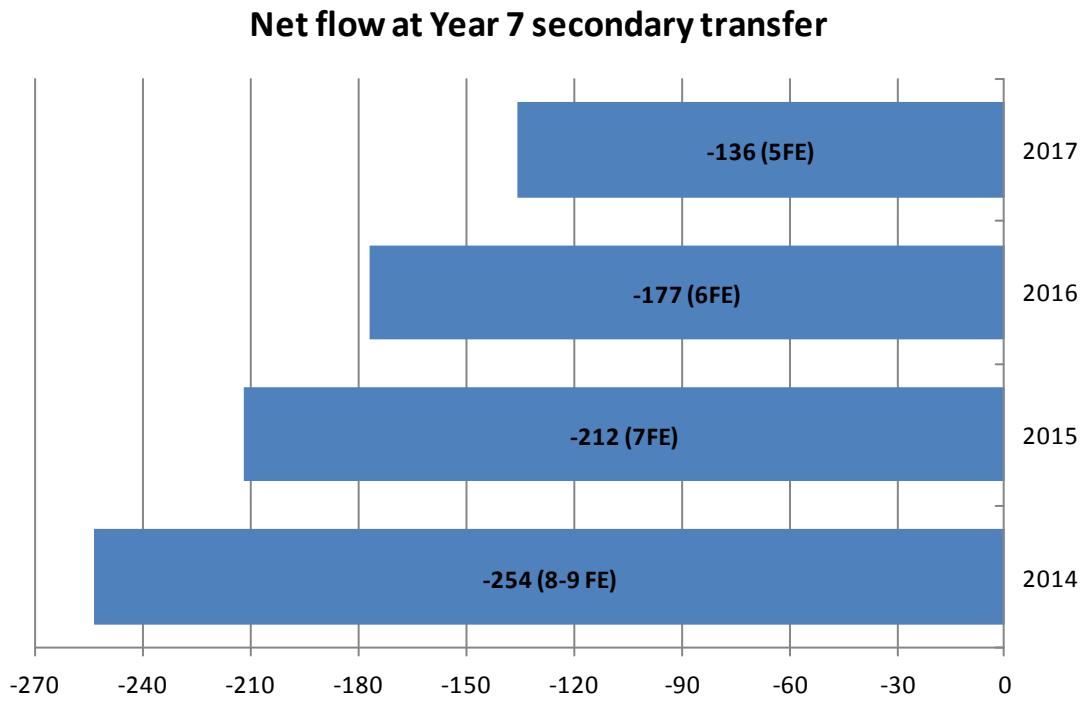
- 3.1. A meeting at the GLA confirmed the view held by Haringey place planners that house prices in western wards of the borough such as Muswell Hill were probably having an impact on the age profile of residents in this area with young families in particular unlikely to be able to afford to move there. This in turn would impact upon the demand for school places, including secondary places, in the area.
- 3.2. It was agreed at the meeting that an additional set of 2017 projections would be produced by the GLA to account for the potential impact of the Crossrail development on our borough. These additional projections will **not** form the basis of the report but will be added as an appendix to our annual School Place Planning Report (SPPR) as a scenario based outcome.
- 3.3. Despite these changes in projections we are still anticipating a deficit in **Year 7 places by 2021/22 equivalent to 6 forms of entry**. However, an increase in Year 7 capacity in our schools from 2016 entry from 2,577 to 2,604 (as a result of upward adjustments to the PAN of Fortismere and of Alexandra Park School) has provided an increase in the number of available places.
- 3.4. We also need to be mindful of the migration rates into and out of borough at Year 7 secondary transfer. Figure 2 shows data from 2014 to 2017 illustrating that Haringey continues to export more Year 7 pupils than we import. However, it should be noted that this balance has reduced from a net flow of **-254** Year 7 places (8-9 FE) in 2014 to **-136** Year 7 places (5FE) in 2017.

Figure 5 – Number of Year 7 pupils and shortfall / surplus (2017 vs 2016)

Intake year	Number of Year 7 pupils (2017)	Number of Year 7 pupils (2016)	year 7 place shortfall / surplus (2017)	year 7 place shortfall / surplus (2016)	Number of Year 7 places (2017)
2013/14	2,146	2,146	211	211	2,357
2014/15	2,348	2,348	180	180	2,528
2015/16	2,481	2,481	47	47	2,528
2016/17	2,503 (actual PLASC)	2,475 (projected)	101	102	2,604
2017/18	2,574 (projected)	2,524 (projected)	30	53	2,604
2018/19	2,549 (projected)	2,634 (projected)	55	-57	2,604
2019/20	2,647 (projected)	2,611 (projected)	-43	-34	2,604
2020/21	2,685 (projected)	2,695 (projected)	-81	-118	2,604
2021/22	2,757 (projected)	2,720 (projected)	-153	-143	2,604
2022/23	2,774 (projected)	2,788 (projected)	-170	-211	2,604
2023/24	2,789 (projected)	2,783 (projected)	-185	-206	2,604
2024/25	2,731 (projected)	2,757 (projected)	-127	-180	2,604

Source: 2013-2017 PLASC counts and GLA 2017 School Roll projections** Note: In last year's School Place Planning report this figure was 2,577. APS and Fortismere increased their PAN from 216 to 232 and from 243 to 270 for September 2016 respectively.

Figure 2 – Haringey Year 7 migration, 2014-2017



Source: Haringey Education Services 2017

Appendix 2 - PAN consultation autumn 2016 – results

Total (representations received - 31)

Object: 15 (48%)

Support: 10 (32%)

Neither support nor object: 6 (19%)

Electronic (24)

Object: 10

Support: 9

Neither support nor object: 5

Paper (7)

Object: 5

Support: 1

Neither support nor object: 1

Main reasons for objection

- Negative impact on learning (12)
- Insufficient space (7)
- Insufficient space for specific functions named - canteen, toilets, recreation (5)
- Increased workload for teachers (4)

Main reasons for support

- Improve funding (5)
- Improve capacity (3)
- Improve equality (1)

Other factors mentioned

- Objection to adjustment of PAN at HsFG (5)
- Haringey should campaign for better funding instead (4)
- Market the school better (2)
- Change the Admissions system (2)
- Is Haringey's data accurate? (4)

Respondent type

- 26% Male / 39% Female / 35% Prefer not to say
- 58% (White/White Other) / 32% (Prefer not to say) / Two respondents (Black/African/Caribbean/) / One respondent (Asian/Asian British)