

Technical Appendix 3: Education (Mainstream Schools)

1.0 Service Overview

1.1 Hertfordshire County Council (the county council) is the local authority with statutory responsibility for education. The county council is subject to a number of statutory duties and responsibilities including:

- Promoting high standards of education
- Planning and commissioning school places in its local authority area
- Extending diversity and choice
- Co-ordinating admissions in the normal admissions round for all maintained and academy schools
- Resourcing the shared maintenance, improvement to, and provision of, the built school environment, and securing value for money.

1.2 The county council has a duty to secure sufficient school places in its area, ensuring that every child has access to a school place. The county council fulfils its planning responsibilities by:

- forecasting and analysing short-term demand for school places in order to identify an appropriate balance between supply and demand
- negotiating the right number of places on an annual basis, within a diverse and varied education landscape including academies and other 'own admitting authority' schools outside the county council's control
- undertaking longer term strategic planning to ensure sufficient education infrastructure is identified within the local plan process to meet the longer-term needs arising from proposed housing growth.

1.3 As the county council has the statutory responsibility to ensure that there are sufficient school places available across the county, it remains the appropriate authority to assess the requirements for school place provision for any new housing developments, be a signatory to any S106 agreement and receive the appropriate contributions. The county council has a duty to set out the requirements for any new school needed to serve a new or growing community in order that potential providers may express interest in running that school. Where a Section 106 agreement provides the land and funding for a new school, the county council will usually procure the school building and then arrange any necessary leasehold transfer to the provider.

1.4 Further information on school place planning is available at www.hertfordshire.gov.uk/schoolplaces

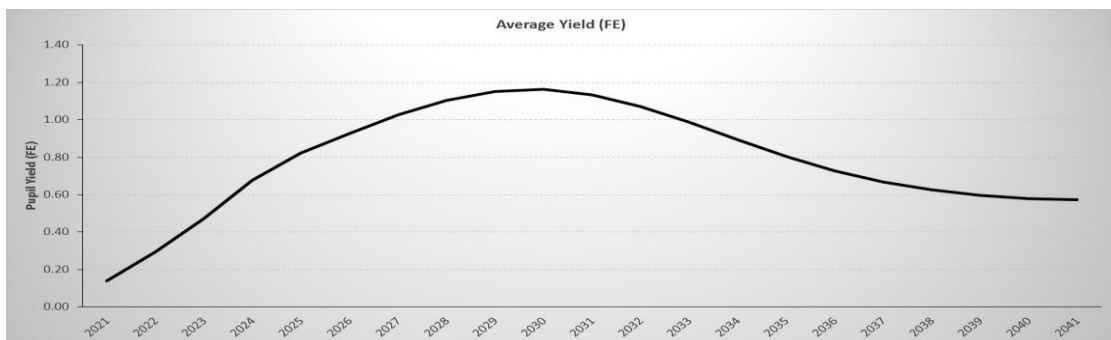
2.0 Assessing need and calculating contributions

2.1 Where there is insufficient capacity in existing local schools, or where demand is projected to exceed supply as a result of growth from new housing, the county council will seek planning obligations to mitigate the impact of

development. Developer contributions towards new school places should provide both funding for construction¹ and land where applicable.

Methodology

- 2.2 The potential pupil yield arising from an individual development site is currently assessed using the Hertfordshire County Council Demographic Model² (the Hertfordshire model or HDM), which projects the average number of children likely to emerge from different types, sizes and tenures of dwellings over time. The modelled yields are calibrated against observed yields from recent new developments in Hertfordshire, which have been assessed as part of a detailed Pupil Yield Study³ (PYS).
- 2.3 New housing tends to attract a greater proportion of young families, yielding higher pupil numbers particularly in the pre-school and primary age groups. The Hertfordshire model allows the pupil yield projection to change with time, as children grow older and age into different school phases and, in the longer term, the development starts to conform to an age structure in line with mature housing stock in the wider community. The result is often a peak in demand in the medium term as, for example, pre-school children age into the primary phase. The county council seeks contributions which reflect this change over time and recognise that an element of ‘temporary’ provision may be needed to meet peaks in demand.
- 2.4 Permanent per-place costs will be sought for places needed for a period of seven years or more at the primary phase and five years or more at the secondary phase. Temporary per-place costs will be sought for places which would be required for less than seven years at primary, or less than five years at secondary. Seven and five years represent the lifetime of one cohort at the primary and secondary phase respectively and provides a reasonable delineation between the requirement for permanent and temporary provision.
- 2.5 In the following example, the projected average primary age pupil yield for a theoretical development is shown in the graph below.



¹ Construction costs include fit out, furniture and equipment and ICT, as well as any offsite costs which are necessary to deliver the project (e.g. highways works)

² A separate guide on the Hertfordshire Demographic Model is available on the website.

³ More information regarding the PYS is available on the county council's website. Emerging data based on observed yields from over 6,000 new dwellings has been used to calibrate the HDM.

- 2.6 In this scenario, the county council would seek contributions to provide permanent places at approximately 1FE (1 form of entry, equivalent to 30 additional places in each of year group), an average level of demand which is exceeded for seven years⁴. Temporary costs would be sought to cover the average projected demand above 1FE.
- 2.7 Department for Education (DfE) guidance⁵ confirms that Local Authorities should seek contributions to meet estimated peak yield from new housing. The county council believes that where additional places are needed across a sustained period and a number of year groups, it is inappropriate and impractical to attempt to provide them through temporary provision (which is usually made for a single year group per school). Providing additional capacity over a number of years at a single school would be expected to trigger a formal 'prescribed alteration' (or 'significant change' in academy schools) process⁶. Such a process is invariably linked to providing high-quality permanent accommodation rather than short-term temporary buildings, with the associated higher capital cost. The approach outlined above enables the county council to deliver additional capacity to the estimated peak whilst acknowledging that some places may be required for a limited period due to the projected yield changing over time.

Nursery and Post-16 Contributions

- 2.8 The county council expects that all new primary schools will include nursery classes, while expansions of existing schools will, in most cases, also involve an increase in the number of nursery places. Contributions towards nursery provision will be sought at permanent and temporary per-place rates to the same proportion of peak yield as is calculated for the development at the primary phase. Contributions will only be sought where additional nursery provision is being provided as part of the mitigation project.
- 2.9 Similarly, in Hertfordshire the vast majority of secondary schools offer post-16 (sixth form) provision. It is expected that new secondary schools will also offer post-16 education. Contributions towards post-16 provision will be sought at permanent and temporary per-place rates to the same proportion of peak yield as is calculated for the development at the secondary phase. Contributions will only be sought where additional post-16 provision is expected to be provided as part of the mitigation project.

Per-Place Cost Calculations

- 2.10 Final contributions sought are derived from per-place costs. These are the number of temporary-place and permanent-place pupils projected by the model, multiplied by the national average costs published by the Department for Education in its local authority school place scorecards⁷, adjusted to allow

⁴ Note: the graph shows average demand (i.e the average across all year groups). Demand within a single year of entry in this example is likely to exceed 1FE for 10 years or more.

⁵ DfE 'Securing Developer Contributions for Education'

⁶ DfE statutory guidance 'Making significant changes ('prescribed alterations') to maintained schools', and DfE 'Making significant changes to an open academy'.

⁷ DfE school place scorecards are available at www.gov.uk/government/collections/school-places-scorecards

for the sustainability standards set out in the updated DfE School Output Specification but which are not yet reflected in the scorecard values⁸. The adjustment follows the current DfE approach to its basic need funding allocations to Local Authorities; the rate per place has been uplifted by 10%, based on its estimates of the costs associated with meeting improved sustainability standards for a typical school or college project, including considerations relating to buildings that are net zero carbon in operation and with additional climate resilience measures. These costs will be reviewed and updated as appropriate following the DfE's annual data release, or whatever schedule the department might adopt in future.

- 2.11 Where the cost to deliver the project is expected to be in excess of the funds which would otherwise be achieved through the application of these charges, such as might be the case for projects with abnormal costs due to planning, highways or construction limitations (e.g. located on a flood plain, in conservation areas, or on constrained sites), or where the school place planning solution necessitates it, then the full cost of providing the identified project and/or purchasing additional land to do so may be sought from the developer.
- 2.12 The county council will specify the date to which costs have been rebased (e.g. 1st quarter 2022) to allow future indexation against the Building Cost Information Service (BCIS) All-In Tender Price of Index (TPI) and BCIS Regional TPI.
- 2.13 In some instances, an individual development may not be required to provide a whole new school to make it acceptable in planning terms but, land may be required to deliver a new school project. Funding for the remaining school site (proportionate land and build costs⁹) would be met by other developments coming forward in the local area. The county council would expect such additional land to be designated specifically for education use within the local plan and made available for purchase by the local authority and allocated for educational use would usually have no prospect of achieving planning permission for any other uses and the county council would therefore expect to acquire it at a cost which reflected its intended use.
- 2.14 Where there is a cost to the local authority to acquire land to deliver a scheme to provide additional places, the additional cost of purchasing the land will be added to the per-place construction contribution as calculated above. A representative proportion of land costs will be added where multiple developments are being mitigated by a single additional place scheme.

Indicative Education Contributions

- 2.15 The following tables show indicative contributions for a new build project, by dwelling type, bed-size and tenure, which might be sought from typical sites

⁸ The DfE's scorecard costs are currently based on reported projects between 2015/16 and 2017/18

⁹ Build/construction costs include fit out, furniture and equipment and ICT.

within each of the broad development types identified at the strategic local plan¹⁰ stage.

- 2.16 Costs are weighted according to the relative pupil yield from the different types and sizes of dwelling¹¹; a 3-bed house will, for example, produce more children on average than a 1-bed flat and therefore require a greater level of mitigation. Similarly, most socially rented properties are expected to produce on average more children than the equivalent sized market¹² value dwelling, with the exception of 1-bed properties. The contributions sought from each type and size of property is therefore in line with the projected average pupil yield from it, which in turn dictates the number of additional school places which will be needed to mitigate a particular development.

Indicative Cost Tables by Phase of Education

Education: Nursery

TIER	HOUSES				FLATS			
	1 bed	2 bed	3 bed	4+ bed	1 bed	2 bed	3 bed	4+ bed
	Market value housing and shared ownership (and other) ¹²							
Tier 1	£400	£801	£1,335	£1,563	£439	£878	£834	£1,025
Tier 2	£342	£684	£1,140	£1,335	£300	£601	£570	£701
Tier 3	£422	£845	£1,408	£1,649	£301	£601	£571	£701
	Affordable rent and social rent housing ¹²							
Tier 1	£133	£2,059	£2,585	£4,022	£439	£2,750	£2,662	£3,082
Tier 2	£114	£1,758	£2,208	£3,436	£300	£1,881	£1,821	£2,108
Tier 3	£141	£2,172	£2,727	£4,244	£301	£1,882	£1,822	£2,110

¹⁰ Further information regarding the tiered approach to strategic planning can be found in the Local Plan Engagement document.

¹¹ This weighting is based on the underlying HDM, with overall yields calibrated against observed yields from the emerging PYS. Average single-dwelling yield values (and therefore costs) will be reviewed and updated as part of the ongoing PYS.

¹² Market value housing and shared ownership is taken to include other categories of dwelling which act in substantially the same way with regard to pupil yield, with tenure characteristics similar to open market dwellings and dwellings provided for sale that offer a route to ownership for those who could not achieve home ownership through the market.

Similarly, affordable rent and social rent housing is taken to include any future categories of affordable dwelling which might display the tenure characteristics of 100% rented, reflecting needs assessed dwellings for which the rent is set below local market rents. .

Education: Primary

TIER	HOUSES				FLATS			
	1 bed	2 bed	3 bed	4+ bed	1 bed	2 bed	3 bed	4+ bed
	Market value housing and shared ownership (and other) ¹²							
Tier 1	£2,805	£5,529	£8,854	£10,917	£2,932	£6,726	£6,335	£7,244
Tier 2	£2,696	£5,314	£8,510	£10,493	£1,650	£3,786	£3,566	£4,078
Tier 3	£1,942	£3,828	£6,130	£7,558	£1,762	£4,042	£3,807	£4,353
	Affordable rent and social rent housing ¹²							
Tier 1	£897	£12,239	£17,311	£19,702	£2,760	£17,727	£16,636	£18,309
Tier 2	£862	£11,763	£16,639	£18,937	£1,553	£9,979	£9,364	£10,306
Tier 3	£621	£8,473	£11,985	£13,640	£1,658	£10,652	£9,996	£11,002

Education: Secondary

TIER	HOUSES				FLATS			
	1 bed	2 bed	3 bed	4+ bed	1 bed	2 bed	3 bed	4+ bed
	Market value housing and shared ownership (and other) ¹²							
Tier 1	£2,581	£4,890	£7,867	£9,649	£2,627	£5,861	£5,402	£6,467
Tier 2	£2,454	£4,650	£7,480	£9,174	£1,463	£3,263	£3,008	£3,601
Tier 3	£1,750	£3,315	£5,333	£6,541	£1,546	£3,448	£3,178	£3,805
	Affordable rent and social rent housing ¹²							
Tier 1	£882	£11,193	£15,378	£16,801	£2,425	£16,123	£14,679	£15,997
Tier 2	£839	£10,641	£14,620	£15,973	£1,350	£8,978	£8,173	£8,907
Tier 3	£598	£7,587	£10,424	£11,388	£1,427	£9,486	£8,636	£9,412

Education: Post-16

TIER	HOUSES				FLATS			
	1 bed	2 bed	3 bed	4+ bed	1 bed	2 bed	3 bed	4+ bed
	Market value housing and shared ownership (and other) ¹²							
Tier 1	£630	£1,261	£2,059	£2,443	£722	£1,444	£1,345	£1,684
Tier 2	£599	£1,199	£1,957	£2,322	£402	£804	£749	£938
Tier 3	£427	£855	£1,395	£1,656	£425	£849	£791	£991
	Affordable rent and social rent housing ¹²							
Tier 1	£210	£3,091	£4,039	£4,893	£722	£4,305	£3,719	£4,458
Tier 2	£200	£2,939	£3,840	£4,652	£402	£2,397	£2,071	£2,482
Tier 3	£142	£2,095	£2,738	£3,317	£425	£2,533	£2,188	£2,623

- 2.17 All costs shown above are as at 1Q2022.
- 2.18 **The illustrative tables above are included as a guide to help inform viability assessments and financial planning; the actual contribution for each development site will be calculated individually once a planning application has been made.** This ensures the amount sought is fair, proportional and aligned with the impact of the specific development. Sites with differing housing mixes and trajectories will have different pupil yield projections and therefore contribution amounts.
- 2.19 Both tables shown above relate only to construction costs and do not make any allowances for purchasing land. Where additional land is required to allow the delivery of an education project, the cost (or the relevant proportion of the cost) of acquiring the land will be added to the pupil place-led costs illustrated in the tables above.
- 2.20 The tables are based on the cost of providing a new school. Contributions sought towards expansion of existing schools may be lower. Conversely, where abnormal site features or design requirements for a particular project mean that the cost of mitigating development is higher than standard, the amount charged may increase proportionally.