



COUNCIL CABINET
12 February 2020

ITEM 10

Report sponsor: Andy Smith, Strategic Director
for People Services

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School Organisation and Provision

New Primary School Provision at Snelsmoor Grange and Castleward

Purpose

- 1.1 The Education Act 2011 reviewed the arrangements for establishing new schools and introduced Section 6A (the free school presumption) to the Education and Inspections Act 2006. Where a Local Authority (LA) considers there is a need for a new school in its area, it must seek proposals from potential sponsors to establish a free school.
- 1.2 Council Cabinet approval is being sought to commence competition processes to identify sponsors in readiness to open two proposed new primary schools. This is part of the forward planning to accommodate pupils from the following housing developments:
 - a. Snelsmoor Grange and Fellow Lands Way, Boulton Moor
 - b. Castleward and former Derby Royal Infirmary (DRI) Site

a. Snelsmoor Grange and Fellow Lands Way, Boulton Moor

- 1.3 A new housing development is proposed at Snelsmoor Grange, Boulton Moor, for 800 dwellings. It is anticipated that 224 primary school pupils will be generated by the development. There is very limited surplus capacity available in nearby primary schools and there are other housing developments underway in the local area which will increase the pupil population.
- 1.4 A development has also recently been completed at Fellow Lands Way, Chellaston, in close proximity to Snelsmoor Grange. This development is comprised of 190 dwellings which, over time, will generate an estimated 53 primary school pupils. Following careful consideration, a 315 place (1.5 form of entry) primary school is proposed, as a result of the new housing at both Snelsmoor Grange and Fellow Lands Way, to ensure sufficient school capacity.

b. Castleward and former Derby Royal Infirmary (DRI) Site

- 1.5 An exciting regeneration project is underway at Castleward, along with a major new housing development proposed on the adjacent former Derby Royal Infirmary (DRI) site, both of which are close to the city centre. Phases 1 and 2 of the Castleward development are for a minimum of 398 dwellings and the former DRI site development

is for 796 dwellings. This is a minimum total of 1,194 dwellings which, it is anticipated, will generate around 133 primary school pupils over a number of years, linked to the housing build programme and wider regeneration project. Again following careful consideration, a 315 place (1.5 entry) primary school is proposed as a result of the new housing at Castleward and the former DRI site.

- 1.6 Further additional properties are anticipated in future phases of the Castleward development. The new school will provide primary places for pupils from these future dwellings, as part of the Council's infrastructure planning and commissioning of school places to serve the longer term regeneration project underway in this area of the city.
- 1.7 In both cases, the current proposal is for the new primary schools to open in September 2021, on a phased basis. This will, however, be kept under careful review in light of housing development programmes and the outcome of a bid for capital funding towards the cost of building the Snelsmoor Grange school. The successful sponsors will be asked to work in close partnership with the Council on the timing of opening up the new schools, including opening up year groups and capacity on a phased basis, in response to demand arising from the developments.
- 1.8 Council Cabinet approval is being sought to start competition processes, as part of the forward planning to enable sponsors to be appointed prior to the schools opening.

Recommendation(s)

- 2.1 To approve commencement of two competition processes, inviting proposals to establish new schools in Boulton Moor (Snelsmoor Grange) and Castleward to accommodate pupils from the proposed new housing developments at Snelsmoor Grange, Fellow Lands Way, Castleward and the former DRI site.
- 2.2 To bring a further report to Council Cabinet to approve the Council's preferred sponsors for recommendation to the Secretary of State for these competitions, following an evaluation of proposals.

Reasons(s)

- 3.1 New schools are required to accommodate pupils from housing developments at Snelsmoor Grange, Boulton Moor and Castleward and the former DRI site in the city centre. Where a Local Authority (LA) considers there is a need for a new school in its area, it must seek proposals from potential sponsors to establish a free school.
- 3.2 The Council is able to make a recommendation to the Secretary of State on its preferred sponsor, following an evaluation of proposals. The decision on which sponsor is appointed to open the new school is then taken by the Secretary of State.

Supporting Information

- 4.1 The Education Act 2011 reviewed the arrangements for establishing new schools and introduced Section 6A (the free school presumption) to the Education and Inspections Act 2006. Where a Local Authority (LA) considers there is a need for a new school in its area, it must seek proposals from potential sponsors to establish a free school.
- 4.2 Council Cabinet approval is being sought to commence competition processes to identify sponsors in readiness to open two proposed new primary schools. This is part of the forward planning to accommodate pupils from the following housing developments:
- a. Snelsmoor Grange and Fellow Lands Way, Boulton Moor
 - b. Castleward and former Derby Royal Infirmary (DRI) Site
- a. Snelsmoor Grange and Fellow Lands Way**
- 4.3 A housing development is proposed at Snelsmoor Grange, Boulton Moor, for 800 dwellings. A nearby housing development of 190 dwellings at Fellow Lands Way, Chellaston has recently been completed. This is a total of 990 dwellings.
- 4.4 Based on the Council's pupil yield multipliers, the 990 new houses would generate an estimated 277 primary aged pupils. There is very limited surplus capacity available in nearby primary schools and there are other housing developments underway in the local area which will increase the pupil population. Following careful consideration, it is suggested that a new 1.5 form entry primary school (315 places), is provided on the Snelsmoor Grange site, with nursery provision.
- 4.5 The proposal is for the new school to build up its pupil numbers incrementally, increasing by one year group each year. This means that upon opening the school could admit children into the Reception year group only, with an admission number of 45. In the following year, the school could then admit into Reception and Year 1, and so on, until all year groups are open. This approach will remain under review should demand for pupil places from the housing development increase in year groups that are yet to open.
- 4.6 With regard to secondary school places, the Snelsmoor Grange housing development is within the catchment area of Noel-Baker Academy, which currently has some surplus capacity, although secondary pupil numbers are projected to continue to increase over future years and additional housing developments are underway in the school's catchment area. Secondary pupil numbers will continue to be kept under review.

b. Castleward and Former Derby Royal Infirmary (DRI) Site

- 4.7 An exciting regeneration project is underway at Castleward. This is a priority project for the Derby City Centre Masterplan 2030, with the key partners for delivery being Derby City Council, Homes England and Compendium Living. A new major housing development is also proposed on the adjacent former DRI site.
- 4.8 The proposed new primary school is an important part of the Council's infrastructure planning to support the regeneration of the area, meet demand for school places and ensure a sustainable form of development. The school will be funded through £8 million of capital investment, which has been identified through funding sources such as the D2N2 LEP, Homes England Housing Infrastructure Fund and Section 106 funding. The capital funding package for the Castleward school was approved by Council Cabinet in September 2019.
- 4.9 Based on the Council's pupil yield multipliers, the current 1,194 homes (minimum anticipated number) across the Castleward and DRI developments would generate an estimated 133 primary aged pupils over a number of years, linked to the housing build programme and wider regeneration project. Following careful consideration, it is suggested that a new 1.5 form entry primary school (315 places), is provided, with nursery provision.
- 4.10 The proposed new primary school would be located within the Castleward housing development and would serve both the Castleward and former DRI site. The proposal is for the new school to open initially as one form entry (30 pupils per year group) and build pupil numbers incrementally, increasing by one new reception intake each year. This approach would remain under review should demand for pupil places from the housing developments increase in year groups that are yet to open.
- 4.11 As further phases of the Castleward development are built, the school could expand from one to 1.5 forms of entry (45 pupils per year group). The new school will provide primary places for pupils from these future dwellings, as part of the Council's infrastructure planning and in readiness for future commissioning of additional school places to serve the longer term regeneration project underway in this area of the city.
- 4.12 With regard to secondary school capacity, the developments are within the catchment area of Bemrose School, which currently has some surplus capacity. There are sufficient school place to accommodate secondary pupils from current phases and this will continue to be assessed as future phases move forward.

Timescales for opening the new schools

- 4.13 The current proposal is for both new schools to open up in September 2021, on a phased basis. This, however, will be kept under careful review in light of housing development programmes and the outcome of a bid for capital funding towards the cost of building the Snelsmoor Grange school.
- 4.14 With regard to Castleward, Phase 1 (164 properties) has now been built and occupied. Phase 2 is comprised of a minimum of 234 properties and it is anticipated that 54 of these properties will be completed by June 2020. There is currently uncertainty over timescales for the remaining properties on Phase 2. Future phases of the Castleward development are likely to require site acquisitions to move forward

and so timescales are unclear at this stage. It is currently anticipated that any necessary Compulsory Purchase Order (CPO) proceedings will commence in February 2020 and, subject to proceedings, the statutory process is expected to conclude by March 2021. In terms of the former DRI site, planning permission has been granted based on proposals for 796 properties. The total minimum number of properties across the current known phases of the developments is 1,194, which will be built and occupied over a number of years.

- 4.15 The new school will need to open up in a way that supports the housing growth on both the Castleward and DRI developments, whilst minimising any impact on pupil numbers on roll at other local schools. This will be discussed with potential sponsors during the competition process to ensure they understand the complexities of meeting the needs of the housing developments, one of which is moving forward in phases with some uncertainty over timescales and future property numbers. The successful sponsor will be asked to work in close partnership with the Council on the timing of opening the new school, including the opening up of year groups and capacity on a phased basis, in response to demand arising from the development.
- 4.16 In relation to Snelsmoor Grange, a bid has been made to the Housing Infrastructure Fund (HIF) for capital funding of £5.5 million towards the cost of constructing the new school, which has an overall cost estimate of £7million – 7.5million. The outcome of the bid was originally expected in summer 2019, but has not yet been announced. Should this bid prove unsuccessful, the Council will enter into further discussions with the Snelsmoor Grange developer over funding. This could potentially defer the delivery and opening of the new school.
- 4.17 Council Cabinet approval is being sought to start competition processes as part of the forward planning to enable sponsors to be appointed prior to the schools opening.

Establishing New Schools: Competition Process

- 4.18 The Education Act 2011 reviewed the arrangements for establishing new schools and introduced section 6A (the free school presumption) to the Education and Inspections Act 2006. Where a Local Authority (LA) considers there is a need for a new school in its area, it must seek proposals from potential sponsors to establish a free school.
- 4.19 In order to submit a proposal to run a new school, an organisation must be a DfE approved sponsor or will need to be assessed by the DfE through their sponsor approval process.

- 4.20 There is guidance from the DfE on the process to be followed by Local Authorities to establish new schools. The following are the key stages of the process:
- Approval to start a competition process, inviting bids to open the new schools.
 - Notify the Secretary of State of the Council's plans to seek proposals for new schools.
 - Advertise for proposals for new schools and await responses.
 - Council evaluation of proposals.
 - Approval to recommend preferred sponsors to the DfE.
 - DfE evaluation of proposals and notification of successful sponsors.
 - Conclusion of funding agreement by DfE.

A more detailed draft timeline is attached as Appendix 1 to this report.

- 4.21 The process includes the development of a specification for the new schools, including information on school place planning, age range and the capacity of the new school as well as expected cost. The Council would then invite proposals to open the new schools by posting an advert and documentation on the Council's website, and through other routes, such as an article in the Schools' Circular. The Department for Education will also publish details of the new schools on its website.
- 4.22 The Department for Education provides model criteria for evaluating the proposals. The assessment panel process includes an evaluation and scoring of the proposals as well as a presentation from each of the potential school sponsors and an interview process.
- 4.23 Following the evaluation of bids, it is proposed that approval is sought from Council Cabinet to forward a recommendation to the Secretary of State on the Council's preferred sponsors. It should be noted that the Secretary of State will take the LA's preferred sponsors into consideration, but has the option to decide to appoint an alternative sponsor.
- 4.24 Under regulations, the LA is responsible for providing the site for the new schools and meeting associated capital and pre- and post- opening costs. In terms of the school sites and capital funding, these will be met through the agreed funding packages for each school, including any Section 106 agreements and HIF bids. Further work will be required in due course to establish the likely pre- and post- opening costs, which will then be agreed with the successful sponsors of the schools once they have been identified. Pre-opening costs are likely to be in relation to the appointment of a headteacher, teaching staff and administrative capacity. Post-opening costs relate to the funding required to address diseconomies of scale until the schools reach full capacity.
- 4.25 As background information, the proposal is to follow a similar process for identifying and assessing sponsors as with the Hackwood Primary Academy competition process. Hackwood Primary Academy opened in September 2019, following a successful capital project and competition process.

Public/stakeholder engagement

- 5.1 The Council will follow Department for Education (DfE) guidance in the promotion of the free school competitions and invite applications from DfE approved groups and organisations. Once a sponsor has been appointed, they are required to carry out formal consultation with stakeholders and the local community during the pre-opening phase of the new school.

Other Options

- 6.1 The option of creating no additional provision was discounted as there is very limited surplus capacity available in primary schools close to either of the proposed new schools. There are also other housing developments underway in the Snelsmoor Grange area which will increase the pupil population. The Council has a statutory duty to plan sufficient school places for the City.
- 6.2 Due to the size of other local primary schools and site constraints, it was not considered possible to expand existing primary schools to the extent needed to accommodate estimated pupil numbers. Following careful consideration, it is suggested that two new 1.5 form entry primary schools (315 places) are provided, with nursery provision at both sites.

Financial and Value for Money issues

- 7.1 With regard to the Castleward and DRI developments, the proposed new primary school is an important part of the Council's infrastructure planning, to support the regeneration of the area and meet demand for school places arising from the new properties. The school will be funded through £8 million of capital investment, which has been identified through funding sources such as the D2N2 LEP, Homes England Housing Infrastructure Fund and Section 106 funding. The capital funding package for the Castleward school was approved by Cabinet in September 2019.
- 7.2 In relation to Snelsmoor Grange and Fellow Lands Way, the current cost estimate for the new primary school is around £7 million - £7.5million. A bid has been made to the Housing Infrastructure Fund (HIF) for £5.5 million funding towards the capital costs of constructing the new school. The outcome of the bid was originally expected in Summer 2019, but has not yet been announced. Should this bid prove unsuccessful, the Council will review the new school proposal and enter into further discussions with the Snelsmoor Grange developer.
- 7.3 Local authorities are also required to meet the initial revenue costs of new provision. A revised growth fund policy is due to be approved this month, which will clearly set out the funding allocations for new schools. This includes pre-opening costs, pupil number protection and diseconomies of scale funding and will remove the need for individual negotiations. These costs are eligible expenditure to be funded through the Dedicated Schools Grant.

Legal Implications

8.1 The Education Act 2011 reviewed the arrangements for establishing new schools and introduced section 6A (the academy / free school presumption) to the Education and Inspections Act 2006. Where a LA considers there is a need for a new school in its area, it must seek proposals to establish an academy / free school.

Other significant implications

- 9.1 Equalities Impact Assessments will be completed in relation to the opening of the new primary schools, as required by the Secretary of State as the decision maker on the appointment of the successful sponsors.
- 9.2 Under regulations, the new schools will need to be free schools and the school sites leased by the Council to the new schools' sponsors for a term of 125 years, as required by the DfE.

This report has been approved by the following officers:

Role	Name	Date of sign-off
Legal	Madhuri Gembali, Education Lawyer	20/01/20
Finance	Alison Parkin, Head of Finance – People Services	14/01/20
Service Director(s)	Gurmail Nizzer, Director of Integrated Commissioning	13/01/20
Report sponsor	Diane Whitehead, Head of School Organisation and Provision	13/01/20
Other(s)		

Background papers:	None
List of appendices:	Appendix 1 – Draft timeline and stages to open the proposed new primary schools at Snelsmoor Grange and Castleward

Appendix 1

Draft timeline and stages to open the proposed new primary schools at Snelsmoor Grange and Castleward

Action	Timescale
Invitation to submit proposals opens and documents are published on Council's website	Thursday 20 February to Thursday 2 April 2020 (6 weeks)
Invitation to submit a proposal - submission deadline	Thursday 2 April 2020
Advise Secretary of State of all potential sponsors that have submitted proposals and send the proposals to the Department for Education.	Friday 3 April – Friday 1 May 2020
Assessment Panel to evaluate proposals.	Friday 3 April – Friday 15 May 2020
Presentations by new school proposers to Assessment Panel.	w/c Monday 18 May 2020
Assessment Panel to complete scoring against the criteria for each potential sponsor.	Friday 29 May 2020
Council Cabinet's approval of Council's recommended preferred sponsors.	July 2020
LA recommendation of preferred sponsors to Secretary of State.	July 2020
Secretary of State appoints sponsors	Anticipated October 2020
LA writes to successful and unsuccessful proposers to advise of outcome.	December 2020
Successful sponsors consult.	
Conclusion of funding agreements by Department for Education.	
Sponsors to make headteacher and staff appointments.	
Proposal for new schools to open.	September 2021