

# Young People's Education and Skills Board

## Item 5

### Places Planning

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**Date:** 20 October 2022

**Contact:** Caroline Dawes

**Telephone:** 07920 808478      **Email:** [caroline.dawes@londoncouncils.gov.uk](mailto:caroline.dawes@londoncouncils.gov.uk)

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**Summary**      This paper provides the Board with an update on the current forecasts for demand for school places across London, arising from both decreasing birth rates and inward migration, which highlight a significant reduction in pupil numbers. The report alerts the Board to the future impact on demand for places for 16 to 18 year-olds.

**Recommendation**      The Board is asked to discuss this issues raised by this paper and agree any further actions.

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## 1      **Background**

1.1      The birth rate in London has been falling since 2012 which, coupled with a decrease in net migration to the capital in recent years, has had a significant impact on declining rolls in primary schools. Between 2012-2021 there has been a 17% decrease<sup>1</sup> in the birth rate in London, a reduction of 23,225 live births across the capital.

1.2      The impact of this reduction in the child population has been felt most immediately in primary schools but it is beginning to have an impact on demand for secondary school places as well in some parts of London. In due

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<sup>1</sup> [Births and Fertility Rates, Borough - London Datastore](#)

course the drop in the number of children will filter through to provision for 16 to 18 year-olds.

1.3 This paper provides the Board with information about

- The projected scale of the issue now and in coming years.
- When this is likely to have an impact of places for 16 to 18 year-olds.
- Action in hand to respond to the changing situation.

## **2 Scale of the issue**

2.1 Since 2017 we have seen a steady decrease in demand for primary places in many London boroughs creating many surplus places. London Councils has analysed places planning forecast data from 27 London local authorities which reveals that on average, London boroughs are forecasting a 7.4% decrease in reception pupil numbers from 2022-23 to 2026-27. London's reception numbers are predicted to decline from 104,054 to 96,082 over this period across these 27 local authorities.

2.2 At secondary, on average, London boroughs are forecasting a 3.3% decrease in Year 7 pupil numbers from 2022-23 to 2026-27, which equates to a decline in pupils from 97,359 to 94,033 over four years. This is clearly less of a decrease than for reception at present but it is likely to be a sustained downward trend to adjust for the current numbers in primary schools as they move on to secondary.

## **3 Current challenges**

3.1 There are a number of current pressures in the system that exacerbate the ability of local authorities to support schools through this period of retraction, including:

- *Funding system:* The majority of school revenue funding is allocated on a per pupil basis, therefore any decrease in pupil numbers will have a direct impact on a school's budget. Many primary schools in London are already in deficit and falling rolls will put further pressure on budgets. Local authorities and schools are working closely together to support schools to remain financially viable where possible.
- *Free schools:* Some primary free school developments have been delayed and some are still in the pipeline to open, despite demand

patterns shifting dramatically in local areas. Opening free schools in areas where there are declining pupil numbers puts significant pressure on other schools.

- *Academies:* Local authorities rely on effective partnerships with academies to secure reductions in Published Admission Numbers (PAN), as they have no statutory powers over academies. This can make it difficult when there is a clear reduction in demand, yet an academy is resisting changing its PAN to reflect this.
- *Housing developments:* Changes in child yields in recent years is making it very difficult to forecast accurately the number of children that will need school places in areas with significant regeneration.
- *In year mobility:* Local authorities are reporting that they have seen a much higher than average number of in year admissions over the past year. This reflects the current levels of churn of families, as many families in London move out of the capital due to changes in working patterns and lifestyle choices, whilst others move into London including from Afghanistan, Hong Kong and Ukraine.
- *Special schools:* Demand for special school places is still very high in London with many children awaiting suitable places. London Councils has already called on the government to enable local authorities to set up new provision, where there is no strong MAT in the local area willing to develop new special provision.
- *Leadership support:* Most senior leaders and elected members have no experience of the last time that London's schools experienced a period of retraction. Therefore, there is a need to support both the executive and non-executive leaders to be able to manage the process particularly in terms of merging or closing schools.

## **4 Impact on provision for 16 to 18 year-olds**

- 4.1 It is expected that overall demand for places in 16 to 18 provision in London will be high for the next two years and that the current level of demand will reduce from 2026 in line with current numbers in the school system. Given that there are no signs of the birth rate or inward migration improving, it is likely that this downward trend will continue for some time. It will be important

for education settings for 16-18 year olds to consider the implications for this drop in numbers, particularly in terms of funding and quality of provision.

- 4.2 As previously discussed at the Board, during the pandemic more pupils than usual attained grades at GCSE that enabled progression to level 3 courses in schools, colleges or other training providers. There is no sign that this trend has abated as London has moved into post-Covid recovery. As employment of young people improves, it is expected that Apprenticeship take-up will increase. However, there are forecasts that economic uncertainties may result in reduced recruitment, particularly in the Public Sector. Past experience suggests that in these circumstances more young people may choose to remain in education and training. Demographic downturns in the past have also resulted in improvements in the quality of employment offers by those employers seeking young recruits, making an Apprenticeship increasingly attractive to those young people who may wish to seek work as a potential remedy to short-to-medium term cost of living pressures.
- 4.3 This projection and its associated revenue implications, may cause funders and educational settings to consider carefully their future investment plans and priorities, particularly as the country is also moving out of a long period of low interest rates.

## **5 Next Steps**

- 5.1 London Councils plans to publish a report with the current forecasts of demand for school places in London alongside a policy narrative in November. It will be calling on the Department for Education to work through the current challenges arising from the drop in the child population with London local government to ensure that London's schools remain financially viable and continue to be able to deliver high quality education.
- 5.2 London Councils will also explore how to support local authorities by providing and analysing data, identifying and sharing effective practice and developing the capacity of leadership and decision-making.

## **6 Recommendation**

- 6.1 The Board is asked to discuss the issues raised by this paper, particularly the implications for provision for 16-18 year olds, and agree any further actions