

**FINANCIAL CONTRIBUTIONS TO SCHOOL PLACES****PLANNING ADVICE NOTE 33**

March 2005

**ABOUT THIS GUIDANCE**

In accordance with PPG 12 and PPS 12 this Planning Advice Note (PAN) has been prepared in consultation with those who might use it. A statement of the involvement undertaken, representations received, the Council's response to those representations, and a sustainability appraisal of this PAN are available on request.

**INTRODUCTION**

New houses give rise to the need for additional school places. However, local schools are sometimes full and do not always have spare places for new pupils.

When considering planning applications for new homes, the availability of pupil places in local schools is a material consideration. Planning Policy Guidance Note 3: Housing (PPG3) requires planning authorities to assess the capacity of schools when deciding planning applications. This advice note explains how the Council will implement PPG3 when considering the availability of pupil places in local schools.

Paragraph 7.12 of the Unitary Development Plan states:-

"Where further housing development means that there will be pressure on existing schools, there may be an obligation placed on the developer to contribute towards the cost of educational facilities".

**Planning applications for new homes will be refused unless local schools already have sufficient capacity to accommodate new pupils from the development or enough extra places can be created to accommodate them.**

Developers can make a financial contribution to the Council to provide physical space needed to accommodate new pupil places at the local school that would serve the new housing development. This space could be either classrooms or other accommodation such as a new hall or canteen, depending on what is needed to permit the intake of new pupils. This allows development to go ahead and means that pupils can attend a school local to where they live.



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**UNITARY DEVELOPMENT PLAN**

Alternatively, a developer may wish to directly build an extension to a local school to provide the new space needed. In this case special arrangements will need to be agreed with the Council and set out in a planning obligation legal agreement.

However, it may sometimes be the case that local schools are full and there is no possibility of providing extra capacity. For example, there may not be enough space on the site to locate a new classroom. In such circumstances planning permission for new homes will be refused.

### **WHEN A FINANCIAL CONTRIBUTION WILL BE NEEDED**

A financial contribution will be needed for planning applications for housing developments where:-

- the scheme provides 20 or more homes; and
- there is insufficient capacity in local schools.

Small housing developments give rise to fewer pupils than larger ones and do not place the same pressures on local schools. To reflect this, a threshold of 20 homes is applied so that only substantially large housing schemes need to contribute.

No matter how many new homes are proposed, a financial contribution will not be needed unless there are not enough spaces at local schools to accommodate the number of pupils the development would bring. When assessing the need for a contribution the Council will consider:-

1. how many pupils a development will generate;
2. the available spaces at local schools; and
3. which schools are considered to be 'local'.

### **NUMBER OF PUPILS GENERATED**

The number of pupils a development will bring is calculated as follows:-

- Primary school pupils - 20 pupils per 100 homes.
- Secondary school pupils - 17 pupils per 100 homes.

These figures have been arrived at using information about the age structure of people living in new houses from the New Housing Survey undertaken by the Council in 1997 and other age profile information from the 2003 Mid-Year Estimate, published by the Office for National Statistics.

This calculation will be based on the number of homes included in the detailed planning application. Any increase or reduction in this number through revised

applications will result in the required contribution being revised accordingly. However, as described below, the principle of a contribution being needed will be established at any outline planning stage.

### **AVAILABLE SPACES AT LOCAL SCHOOLS**

The availability of school places is set out in the School Organisation Plan, produced annually by the Council. A copy may be obtained from Education Services or can be viewed on the Council's web page.

### **WHICH SCHOOLS ARE 'LOCAL'**

Which schools serve a site for housing development will be considered on an individual case basis. However, matters that will be taken into account include:

- whether the school is a reasonable walking distance from the site;
- whether other forms of transport are likely to be needed to get from the site to the school;
- the availability of public transport between the site and the school; and
- which schools are attended by children living near to the site.

### **WHEN A FINANCIAL CONTRIBUTION WILL NOT BE NEEDED**

The following types of housing development will not be required to make a financial contribution to schools in any circumstances:-

- single bedroom homes;
- homes specifically designed for elderly people;
- sheltered accommodation; and
- student accommodation.

These types of homes are usually occupied by people who are unlikely to have dependant children of school age living with them. The need for additional school places is therefore also unlikely and so a financial contribution would not be necessary.

Where a development scheme includes both 'family' housing and any of the house types listed above, a financial contribution will only be required in relation to the 'family' housing element. Homes that fall into any of the above categories will be excluded from the financial contribution calculations.

## HOW THE AMOUNT OF FINANCIAL CONTRIBUTION WILL BE CALCULATED

The cost of providing a school place, both in primary and secondary schools, has been assessed by central Government. This is set out in the Department for Education and Skills (DfES) 'cost multiplier'. Because these costs can vary from one region to another, the DfES also sets local adjustments.

Taking the two factors into account, the cost calculation for primary and secondary school places in Barnsley is as follows:-

Primary School place costs	Secondary School place costs
£7,635 (DfES cost multiplier)	£11,087 (DfES cost multiplier)
x 0.92 (Barnsley local adjustment)	x 0.92 (Barnsley local adjustment)
<b>£7,024 per Primary School place</b>	<b>£10,200 per Secondary School place</b>

Because the DfES cost multiplier and local adjustments are revised annually, this guidance note will also be updated every year to reflect these changes.

This means that where:-

- only primary school places are needed, a contribution of £7,024 must be made for each place;
- only secondary school places are needed, a contribution of £10,200 must be made for each place;
- both primary and secondary school places are needed, contributions of £7,024 must be made for each primary place and of £10,200 for each secondary place.

Where local schools already have spaces for some of the pupils the new houses would bring, financial contributions will only be required for those pupils that cannot be accommodated.

This is the calculation that will apply in the majority of cases. However, there may be cases where a different approach is needed, depending on what factors are affecting the capacity of the school. For example, if a whole new school is needed and the developer does not want to build this directly, then the contribution required may be different from the figure arrived at using this calculation.

## HOW AND WHEN THE FINANCIAL CONTRIBUTION WILL BE SECURED

The financial contribution will be secured through a planning obligation. This is allowed by Section 106 of the Town and Country Planning Act 1990, as amended by the Planning and Compensation Act 1991. A financial contribution will only be requested where it is necessary to enable local schools to provide the additional pupil places needed to accommodate the new homes proposed.

Planning applications may be resolved to be granted, either by officers through delegated powers or by the Planning Regulatory Board, subject to the completion of a planning obligation providing for a financial contribution to school places. The obligation must be signed before planning permission will be granted and the Decision Notice released.

The planning obligation must specify the amount of the contribution and when it will be paid. The Council will use this guidance note to calculate the amount of contribution required in each case. For outline planning applications the amount of the contribution will not be known. However, an obligation will be required at the outline stage that links the amount of contribution to be made to the calculation formula in this advice note.

The Council will require contributions to be made quickly once building has started on site so that the extra school places can be provided in time for the arrival of the new pupils. The precise timing will be set out in the obligation.

## HOW AND WHEN THE FINANCIAL CONTRIBUTION WILL BE SPENT

The planning obligation will specify what the contribution will be spent on. This must relate to creating the additional school places needed to accommodate the new development. This means that it will only be used to increase the capacity of schools local to the new homes built. It will be spent on creating new classroom space or providing other new accommodation where this limits the capacity of the school.

Once collected, the money will be held in an Education Service account specifically set aside for financial contributions to schools. It will then be spent on the works identified in the planning obligation as soon as possible. The obligation will include a date by which the contribution must have been spent. This will normally be 5 years from the date the contribution was received by the Council. If it has not been spent by the specified time, then the unspent amount remaining will be returned, including the Council's standard rate of interest.