

Contributions towards education provision

A guide for developers

Introduced September 2017

Updated May 2023

Please note this guide provides the costs for 2024/25 and will be updated each year

1. Introduction

1.1 In Sefton we are committed in the Local Plan to meeting the diverse needs for homes, jobs, services and facilities as close to where they arise as possible. The housing requirement over the Local Plan period (2015-2030) is calculated at a minimum of 11,520 dwellings. This level of house building will result in increased pressure on local schools, some of which are already full or approaching capacity.

1.2 The Council intends to secure contributions through the section 106 process towards local education provision. Education provision, particularly Primary Schools, was identified, in the Infrastructure Delivery Plan, as one of the key types of infrastructure that is needed to be provided or expanded to support the Local Plan. Furthermore, the provision of [or lack of] primary schools in a local area can be detrimental to the attractiveness of a housing scheme. This note sets out the approach to calculating a proportionate financial contribution towards new education provision from housing developments.

1.3 The government has signalled intention to replace elements of the section 106 process and Community Infrastructure Levy with a new compulsory Infrastructure Levy. At such time the Council adopts an Infrastructure Levy it will revoke this note.

2. Policy background

2.1 Paragraph 95 of the NPPF states 'that it is important that a sufficient choice of school places is available to meet the needs of existing and new communities. Local planning authorities should take a proactive, positive and collaborative approach to meeting this requirement, and to development that will widen choice in education'.

2.2 Paragraph 57 of the NPPF states planning obligations should only be sought where they meet all of the following tests:

- Necessary to make development acceptable in planning terms;
- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development.

2.3 Sefton Local Plan policy **IN1 'Infrastructure and developer contributions'** sets out the approach to funding additional and improved infrastructure required as a result of new development. The following parts of this policy are relevant to the provision of additional school places:

- Part 1. The Infrastructure Delivery Plan, Appendix 1 [of the Local Plan] and other policies in the Local Plan list the infrastructure required for the implementation of the Local Plan strategy.
- Part 4. Where appropriate, contributions will be sought to enhance and provide infrastructure to support new development. This may be secured as a planning obligation through a legal agreement, through the Community Infrastructure Levy or through other agreements.
- Part 6. Planning conditions or phased legal agreements may be used to ensure infrastructure is provided within appropriate timescales.
- Part 8. The impact of providing or contributing to infrastructure on the viability of development proposals will be considered. Where scheme viability will be affected,

developers will be expected to provide Viability Assessments which will be taken into account as a material consideration in the determination of planning applications. Essential infrastructure is required regardless of viability.

2.4 The Infrastructure Delivery Plan was published by the Council in December 2014. This supported the Local Plan through examination. In relation to education provision the IDP identified that the primary school provision was needed in all areas of Sefton. Whilst it is anticipated that secondary school provision will need to be extended, this need has not yet been identified.

3. What type of schools require funding?

3.1 Financial contributions will be directed towards **primary school provision**. It is not considered that any of our housing allocations are of a size that requires a new school. Increased primary provision will therefore be predominately met through the **extension of existing primary schools**. This is a much better outcome for developers as they do not have to provide land for a new school and existing primary schools will have existing communal areas that may only have to be extended.

4. How is the cost of a financial contribution calculated?

4.1 Sefton Local Authority calculates anticipated primary school places arising from new development in the following basis:

17.5 primary school places per 100 homes
This gives a primary pupil yield factor per dwelling of 0.175

4.2 These figures have been established through evidence gathering over a number of years across the borough as a whole on the average numbers of additional pupils resulting from new housing development. Local differences in housing size or type are averaged out and accounted for in this figure. There is therefore no need to apply different rates to different size or types of dwelling

4.3 The cost of extending a primary school by a single form school is calculated as being £2,478,467 [based at 2017/18 prices]. The breakdown of these costs is provided at Annex A.

4.4 A single form primary school extension provides sufficient capacity for an additional 210 pupils [i.e. 7 year groups of 30 pupils each]. Therefore, the costs per pupil of a school extension is calculated at **£11,802** [i.e. £2,478,467 divided by 210] based at 2017/18.

4.5 Using the primary pupil yield per dwelling of 0.175 this equated to a cost per dwelling for primary education provision of £2065.13 in 2017/18.

Allowing for an inflationary increase the 2024/25 charge is:

£2,700.00 per dwelling

[note this will be increased each year in line with inflation]

5. What development does education provision apply to?

5.1 All proposal for residential development that create a net increase of more than 10 dwellings in all parts of the borough will contribute towards education provision, with the following exceptions:

- Specialist housing for older people or housing that is restricted for occupation to over 55 year olds;
- One bedroom accommodation;

5.2 These exemptions apply as this type of accommodation would not be expected to provide accommodation for school aged children.

5.3 There is an argument to apply a greater cost for larger housing [i.e. four bedrooms or more], and a smaller cost for those with few bedrooms [i.e. 2 bedrooms]. However, the pupil yield that we have used [see section 4 above] accounts for the range of housing developments that has been built in Sefton. Furthermore, on smaller schemes [less than 25 homes] it is difficult to estimate the number of children that will live in each home. For development with a minimum of 25 homes the Local Plan housing mix policy HC2 'Housing type, mix and choice' will ensure a mixture of house size which will result in the pupil yield being evened out. Applying a standard charge for all homes of two bedrooms or more provides a pragmatic approach to secure reasonable contributions to primary school provision.

5.4 Where the developer considers that the application of the education contribution may make a development unviable, the developer can request an independently assessed viability test to ensure that any contributions are reasonable. This is a similar approach that which we take in respect of affordable housing. It will be the responsibility of the applicant to demonstrate that the addition of a financial contribution towards education provision would make the proposal unviable. The Council's retained viability consultants will assess any evidence on viability, for which the applicant will be charged. In assessing viability, the provision of affordable or special needs housing will take precedence over education provision in the calculation.

6. Is the requirement for contributions applied across the whole of Sefton?

6.1 The Infrastructure Delivery Plan that supported the Local Plan identified that there was a need for additional primary school places in many areas of Sefton. The Infrastructure Delivery Plan was published in 2014 and the situation does change over time. The Council's education department provide forecasts, based on registered births, of the anticipated change in primary pupils for a five year period. This helps to demonstrate in which locations there will be shortfall, or over supply, of primary school provision.

6.2 If it can be demonstrated that there is sufficient capacity in local primary schools to accommodate the level of growth proposed in the local area the Council will not seek financial contributions for new education provision. The Council will not look at the application in isolation but will look at the combined impact of the proposed growth in the local area.

6.3 Appendix C sets out the most recent school capacity return figures for each settlement in Sefton. This information is compared against the projected levels of housing growth and the implications this growth will have for primary pupil numbers.

6.4 Based on this information, and an understanding of where the remaining major housing allocations still to be approved are, the Council consider that we only need to secure funding from certain locations. The wards that we will look to apply the need for education contributions for qualifying proposals are:

- Manor Ward in Crosby/Thornton– except for the area in Hightown Parish Council
- Molyneux and Sudell wards in Sefton East Parishes
- Meols and Norwood wards in Southport

6.5 These areas are shown in Appendix D. We will not ask for education contributions in any other area in Sefton.

7. Where will the money be spent?

7.1 The funds will be collected and used to fund increased primary education provision in the local area in which it was derived. Whilst this may not necessarily in the same ward, it is likely to be the same broad settlement. A section 106 will specify the area any contributions should be spent in.

8. When will the contribution be collected?

8.1 The contribution will be liable for payment on commencement of the development. The Council acknowledges for larger development this may impact on the viability of the scheme. Therefore, the following instalments policy is proposed for education contributions:

Financial liability is

<£50,000	All on commencement
£50,000 to £150,000	50% on commencement 50% 1 year after commencement
>£150,000	33.3% on commencement 33.3% 1 year after commencement 33.4% 2 years after commencement

8.2 The Council will consider other instalment policies if it can be demonstrated that the financial contribution will impact on viability.

9. Consultation

9.1 This note was made available for consultation during March to May 2017 and an update from November to December 2022. A summary of comments made during the consultation periods, and the Council's responses, is available to view online at www.sefton.gov.uk/spd. Whilst this note is not a Supplementary Planning Document, it has gone through the same process in its drafting, consultation and approval. The Council therefore considers it should be given similar weight as a Supplementary Planning Document in the decision-making process.

Appendix A

Cost Information used in the Information Note (2017/18 base date – note a inflationary uplift has been applied to amount asked for per dwelling)

Table A1 How the cost of a primary school extension is calculated.

REF	Cost Item	Cost £	Comments
BUILD COSTS AND ASSOCIATED FEES			
1	Floor area = 860m ² x BCIS cost base £2000/m ² [see table A2 below]	1,720,000	BCIS cost base to 1Q 2017 for Sefton region
2	External works at 15%	258,000	Estimate of cost for external works, drainage and services
3	Sub Total	1,978,000	
4	Contingency at 5%	98,900	Estimate of contingency cost for design development and risk allowance
3	Sub Total	2,076,900	
4	Fees at 11%	228,459	Standard SMBC percentage fee
5	Surveys, legals, charges	25,000	Estimate of statutory, legal, ground investigation, environmental, utility, topographic and other surveys
6	Building Cost	2,330,359	
INTERNALS			
7	Internal Furniture and IT Equipment	30,000	Estimate of costs [see table A3 below]
8	Cost Estimate	2,360,359	
ADMINISTRATION			
9	Administration charge at 5%	118,108	This cost relates to the costs incurred by the Planning Department to negotiate, administer and collect the section 106 contribution.
10	Total Cost - 1FE 210 pupils	2,478,467	
11	Cost per pupil place	11,802	

Table A2 How the primary school extension size is calculated

Use/ Activity	Area m2	Number	Total m2	Notes
Classroom	62	7	434	Storage included in corridor
Hall extension	80	1	80	Assume extension of existing facility
Hall Store	18	1	18	
Resources	17	1	17	
Group Room	11	1	11	
Pupil Toilets	36	1	36	
Reception Toilets	20	1	20	
Office extension	12	1	12	Assume extension of existing facility
Staff room/ Toilets	30	1	30	Assume extension of existing facilities
Kitchen extension	22	1	22	Assume extension of existing facility
Kitchen stores	10	1	10	
Plant room extension	15	1	15	Assume extension of existing space
Circulation	155	1	155	Includes stores and cloaks
Total Gross Internal Floor Area			860	

Table A3 How the internal costs are calculated

Qty	Description	Each	Total
30	Chairs	£12.45	£373.50
15	Classroom Table	£46.75	£701.25

1	Teacher Chair	£45.00	£45.00
1	Teacher Workstation	£97.00	£97.00
1	Under desk 3 drawer pedestal	£153.00	£153.00
1	5 drawer paper storage unit	£385.00	£385.00
1	6 by 4 Compartment Units with clear trays	£209.00	£209.00
1	4 unit clear Bin Storage unit	£275.00	£275.00
1	Interactive whiteboard	£800.00	£800.00
	TOTAL PER CLASSROOM		£3038.75
	COST FOR 7 CLASSROOMS		£21,271.25
31	Laptop computers [shared between classes]	£280.00	£8,680.00
			£29,951.25

Note – whilst these costs are based on actual purchases in Sefton, or information available from equipment providers, these costs should only be considered approximate. The actual costs may be higher or lower than that included but the overall internal furniture and IT costs are considered to be reasonable.

Appendix B

Worked Examples (based date of 2024/25)

Example 1

Proposal for 20 new homes, comprising 10 two-bedroom and 10 three-bedroom homes

The scheme is liable for the financial contribution [i.e. over 10 homes] and all homes are to assume the charge.

20 x £2,700 = TOTAL FINANCIAL REQUIREMENT **£54,000** all to be paid on commencement

Example 2

Proposal for 12 new flats, comprising six one-bedroom and six two-bedroom homes

The scheme is liable for the financial contribution [i.e. over 10 homes] and six homes are to assume the charge [i.e. they have more than one-bedroom].

6 x £2,700 = TOTAL FINANCIAL REQUIREMENT **£16,200** all to be paid on commencement

Example 3

Proposal for demolition of four three-bedroom homes and replacement with 12 new two-bedroom homes

The scheme is not liable for the financial contribution as there is a net increase of 8 homes only.

Example 4

Proposal for 200 homes, comprising 20 one-bedroom homes, 100 two-bedroom homes and 80 three-bedroom homes

The scheme is liable for the financial contribution [i.e. over 10 homes] and 180 homes are to assume the charge [i.e. they have more than one-bedroom].

180 x £2,700 = TOTAL FINANCIAL REQUIREMENT **£486,000**. One third of this is to be paid on commencement; one third 1 year after commencement; and one third 2 years after commencement.

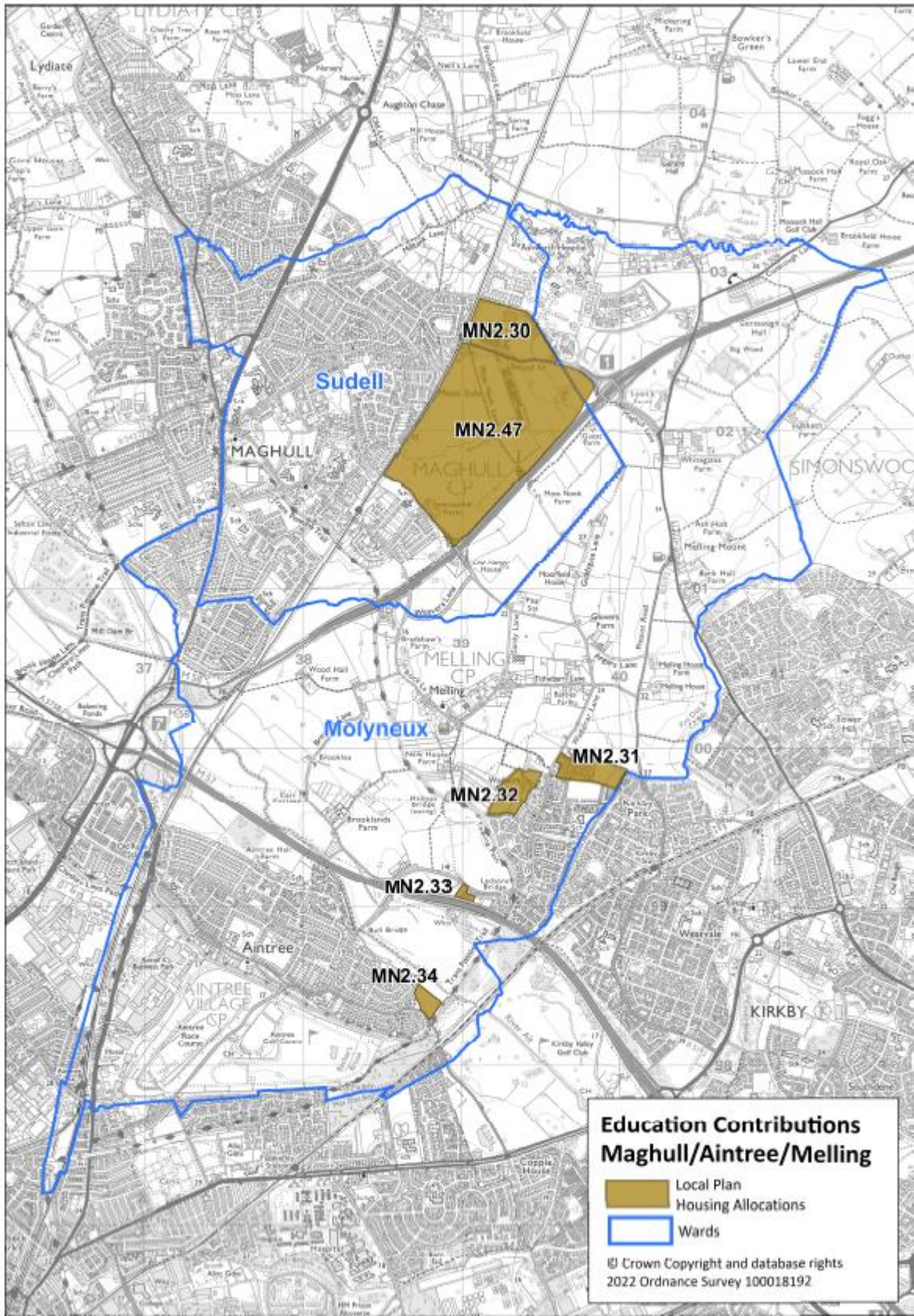
Appendix C

School Returns Data 2021 and projected pupils from new developments (note this will be updated every few years)

	Current Capacity	Actual Pupils 2020/21	Projected Pupils 2021/22	Projected Pupils 2022/23	Projected Pupils 2023/24	Projected Pupils 2024/25	Projected Pupils 2025/26	Proposed Homes (2021 SHLAA)	Pupils in new homes (17.5 per 100 homes)	Total anticipated pupils (over (+) or under (-) supply)
Bootle and Netherton	6259	5754	5780	5683	5673	5639	5590	1,744	305	5,895 (+364)
Crosby	4081	3872	3847	3880	3859	3846	3801	1,503	263	4,064 (+17)
Formby	1784	1717	1698	1675	1683	1694	1679	1,081	189	1,868 (-84)
Sefton East Parishes	3443	3328	3337	3266	3274	3286	3287	2,547	446	3,733 (-290)
Southport	6789	6188	6139	5939	5746	5596	5489	4,019	703	6,192 (+597)

Notes:

- Whilst Southport is showing a large notional over supply in primary places, many of these are not close to the large housing allocations. It is proposed that in the future contributions are only secured in the wards of Meols or Norwood and for schemes of 10 or more homes (see Appendix D)
- Whilst Crosby is predicted to have a small surplus of primary school places, much of the capacity is in schools in the west and south of the town. It is proposed that in the future contributions are only secured in Manor ward (excluding Hightown Parish) and for schemes of 10 or more homes. Hightown children predominantly go to Formby schools (see Appendix D)
- The Maghull school capacity will increase by 210 for Summerhill once expanded and by up to 105 for Melling Primary. Once these are accounted for Maghull is not anticipated to have a under supply of places overall. However, much of the excess supply is in the Lydiate/West Maghull area. It is proposed that in the future contributions are only secured in the wards of Molyneux or Sudell and for schemes of 10 or more homes and these contributions will help finance the Summerhill and Melling Primary works (see Appendix D)

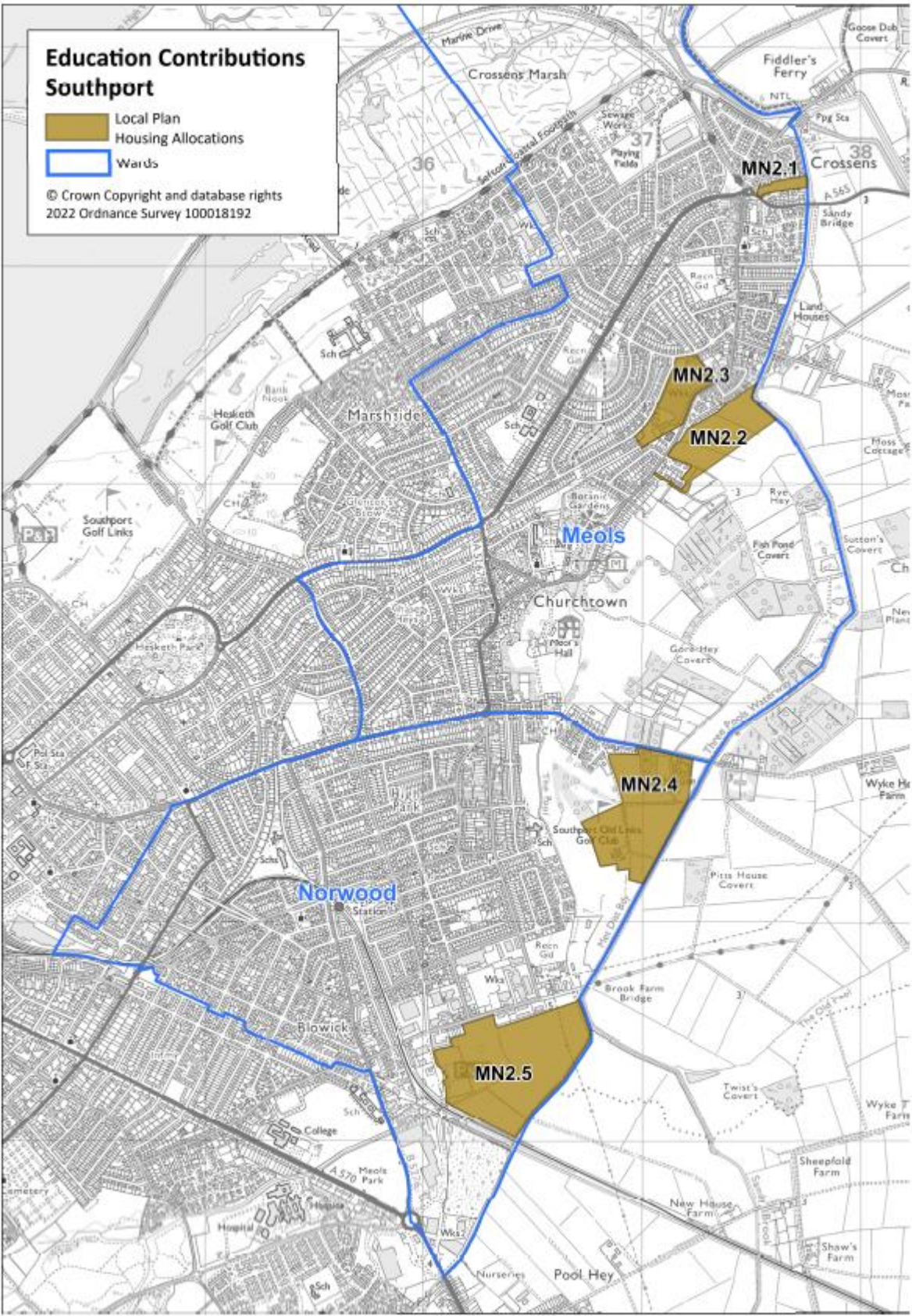


Map showing Education Contributions, Local Plan Housing Allocations, and Wards for the Maghull/Aintree/Melling area. The map includes labels for wards (Sudell, Melling CP, Aintree Village CP) and specific housing allocation areas (MN2.30, MN2.47, MN2.31, MN2.32, MN2.33, MN2.34). The legend indicates that brown shaded areas represent Local Plan Housing Allocations and blue outlines represent Wards. The map is copyrighted by Crown Copyright and Ordnance Survey (2022).

Education Contributions Southport

-  Local Plan Housing Allocations
-  Wards

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Appendix E

Further information

Pre-application advice:

[Pre-application advice on development proposals \(sefton.gov.uk\)](https://www.sefton.gov.uk/pre-application-advice-on-development-proposals)

Applying for planning permission:

[How to make a planning application \(sefton.gov.uk\)](https://www.sefton.gov.uk/how-to-make-a-planning-application)

Sefton Local Plan (2017):

<https://www.sefton.gov.uk/media/1133/a-local-plan-for-sefton-for-adoption-final.pdf>

Schools and admissions policies

<https://www.sefton.gov.uk/schools-learning/school-admissions.aspx>

National Planning Policy Framework (2021) and Guidance (online):

[National Planning Policy Framework \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/92522/nppf-2021.pdf)

Building Cost Information Service (BCIS)

<http://www.rics.org/uk/knowledge/bcis/#>