

Division(s): All

CABINET – 15 OCTOBER 2013

Financial Contribution towards the University Technical College Project in Didcot

Report by Director for Children, Education & Families

Introduction

1. Didcot is planned to grow by 9,000 homes over the next 20 to 25 years. As a result, Didcot's population is forecast to increase from 15,000 in 1981 to over 30,000 residents by 2016, with continued growth in the longer term. The number of extra children needing school places will depend on the size, type and timing of the houses, but it is estimated that by 2016 there could be 500-600 more primary aged children and 300 more secondary aged children in the town. Once all of the housing is complete, this is expected to rise to approximately 2000 extra primary-aged children and a similar number of secondary aged children.
2. This growing population will need new schools: each of the major developments is expected to provide two new primary schools, and there is also a new school proposed as part of the Ladygrove East development. There will also be at least one new secondary school.

University Technical College

3. The Department for Education (DfE) has approved a proposal to create a University Technical College (UTC) specialising in life sciences, physical sciences and engineering, to serve Didcot and surrounding areas. The lead sponsor is Oxford & Cherwell Valley College, supported by Reading University and Royal Holloway College, London and major local/national employers. A public consultation about the establishment of the UTC is currently underway. (Annex 1)
4. The Council has a stated policy of supporting all types of academy, including UTCs (Cabinet, February 2012). The Cabinet member and the Director for Children, Education & Families provided the DfE with a letter of support specifically in respect of the Didcot UTC proposal. (Annex 2) Reference was made to the contribution that the UTC could make towards:
 - a) addressing the sufficiency of school places necessary to meet significant housing growth within the town; and
 - b) meeting the skills and qualification needs of the student population and local employers.

5. The letter stated that "Provided a University Technical College in Didcot were consistent with the above the County Council could support its delivery through making a contribution towards its capital costs from the c.£17 million of developer contributions already secured towards additional secondary school places (11 - 18 years), and the provision of a site as part of the proposed facilities located within the Great Western Park residential development."
6. The Didcot UTC will provide 150 places in each of Years 10 - 13 (total 600), of which 30% (based upon the UTC's admissions rules) and 50% (based on other already open UTCs) are predicted to be taken up by children living in Didcot and surrounding villages i.e.180 - 300. Its proposed opening date of September 2015 and the additional school places it provides will delay the need for a third secondary school and reduce the required capacity. Due to the additional post-16 (sixth form) provision created by the UTC and the extant successful shared sixth form in Didcot, it will not be necessary for the additional school to have its own sixth form. The additional places for Year 10 and Year 11 also make it possible to reduce the overall capacity from c.1500 places to nearer 1200.
7. The Council has secured, as part of the Section 106 agreement with the developer of the Great Western Park development, a c.10 hectare site for a secondary school and financial contributions of c.£18 million. The site is of sufficient size to accommodate both the UTC and an 11-16 school as the UTC has a lesser need for outdoor play areas and there is the possibility of sharing some facilities, obviating the need for duplication. The details of any joint use arrangements will be for the sponsors of the UTC and 11 - 16 school to agree and manage.
8. Both the UTC and the 11- 16 school will be academies (a preferred sponsor for the latter is currently subject to a robust selection process) and it is proposed that the Council leases c.2 hectares to the UTC sponsor and c.8 hectares to the 11 - 16 school; the leases would be on the standard academy terms of 125 years at a peppercorn.

Financial and Staff Implications

9. Current DfE funding rates for brand new schools amount to c.£12,000 per school place so a 1500 place school would require the full £18 million secured. The UTC funding will come directly from the DfE, and although at a slightly higher per pupil rate to reflect the additional cost of specialist equipment, excludes funding for a number of features one would expect a secondary school to have access to e.g. an all-weather pitch; full size rugby/football pitches. The overall funding also does not fully take account of the significantly higher infrastructure costs that the UTC's specialisms generate (closely matching the assessed needs of current and planned employment growth within the 'Science Vale UK' area) nor accommodation and furniture & fittings that provision for 68 local apprentices will require.

10. As well as providing the UTC with access to enhanced sports facilities, a direct financial contribution towards the construction costs is appropriate. A contribution of £2 million would represent good value for money to the Council. At standard DfE build rates a £2million contribution would be more than offset by the cost saving associated with reducing the overall school capacity from 1500 to 1200 i.e. 300 places at £12,000 per place = £3.6 million.
11. The DfE has confirmed that its funding allocation will not be reduced to reflect any contribution from the Council and therefore the Didcot UTC will be of a higher specification than would otherwise be the case, the benefits of which will be experienced by local children and employers. It will make a significant contribution towards the economic success of the area, and Oxfordshire in general.
12. The UTC's construction is contingent upon the Secretary of State entering into a Funding Agreement with its sponsors; this is expected to be signed in January 2014. No resources will be transferred to the UTC sponsor until such time as there is certainty about the UTC project in order that the Council is able to retain both site and S.106 contributions sufficient to ensure the provision of sufficient school places. In the event that the Secretary of State declines to sign a Funding Agreement, the Council will need to reconsider its specification for secondary school education on the Great Western park site, including reverting to the original assessment of a need for 1500 places including post-16 education.

RECOMMENDATIONS

13. **The Cabinet is RECOMMENDED to:**
 - (a) **approve the leasing of 2 hectares to the University Technology College trust; and**
 - (b) **make a contribution of up to £2 million towards the construction costs of the University Technology College.**

JIM LEIVERS

Director for Children, Education & Families

Background papers: None

Contact Officer: Roy Leach, School Organisation & Planning Manager

Roy.leach@oxfordshire.gov.uk

01865 - 816458

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