

Update on developer contribution costs for early years, education and youth

The Supplementary Planning Document (SPD) in paragraph 3.5.15 says, “The figures [Building cost multiplier] will be reviewed and amended according to DfE (previously DCSF) building cost multiplier rates on an annual basis”. This update replaces previous cost multipliers information referred to in the SPD.

The Department for Education (DfE) publications ‘*Securing developer contributions for education*’ [revised November 2019] and ‘*Education provision in garden communities*’ [April 2019], should be read in conjunction with the National Planning Practice Guidance (NPPG) on planning obligations (last updated 24 June 2021). The council will use the DfE guidance to help it secure developer contributions for education so that housing developers contribute to the cost of providing the new school places required due to housing growth.

In paragraph 15 of the DfE publication ‘*Securing developer contributions for education*’ it says,

“We advise that you base the assumed cost of mainstream school places on national average costs published annually in the DfE school place scorecards. This allows you to differentiate between the average per pupil costs of a new school, permanent expansion or temporary expansion, ensuring developer contributions are fairly and reasonably related in scale and kind to the development. You should adjust the national average to reflect the costs in your region, using BCIS location factors. We recommend the use of index linking in planning obligations so that contributions are adjusted for inflation at the point they are due”.

In paragraph 16 it says,

“Developer contributions for early years provision will usually be used to fund places at existing or new school sites, incorporated within primary or all-through schools. Therefore, we recommend that the per pupil cost of early years provision is assumed to be the same as for a primary school. Similarly, further education places provided within secondary school sixth forms will cost broadly the same as a secondary school place”.

The DfE published on 30 June 2022 the latest ‘*Local authority school places scorecard guidance*’. As detailed above, the DfE guidance on delivering schools to support housing growth recommends using cost data in the latest scorecard to help establish developer contributions per school place, adjusting the national average for region and inflation. The most recent DfE school [place scorecard is 2021](#) and available to view using this link. The location factor for the West Midlands, which includes Herefordshire, is 0.95.

Herefordshire Council figures are based on the average of two separate DfE scorecard costs, one for totally new schools and one for extensions to existing schools, the location factor of 0.95 is then applied.

Primary

| Phase | New build | Extension | Average | Location factor adjustment @ 0.95 |
|--------------------|-----------|-----------|---------|-----------------------------------|
| Early year/Primary | £21,559 | £18,007 | £19,783 | £18,794 |
| Secondary/Post 16 | £26,105 | £25,003 | £25,554 | £24,277 |

In paragraph 17 of the DfE publication it says:

“Special schools require more space per pupil than mainstream schools, and this should be reflected in the assumed costs of provision. We recommend that developer contributions for special or alternative school places are set at four times the cost of mainstream places, consistent with the space standards in Building Bulletin 104:Area guidelines for SEND and alternative provision. You can also refer to the National School Delivery Cost Benchmarking report for the costs of delivering SEN school places”.

1.8% of total pupil population of Herefordshire attend a special school or alternative provision. Therefore, to ascertain the SEN contribution, an average of the age groups contribution will be used and multiplied by four:

| Phase | Early Years/Primary contribution with location factor adjustment | Secondary/Post 16 contribution with location factor adjustment | Average x 4 | Population adjustment 1.8% |
|-------|--|--|-------------|----------------------------|
| SEN | £18,794 | £24,277 | £86,142 | £1,551 |

Where developer contributions are required, they will be calculated based on the number of children likely to be generated by the development – the pupil yield. From an analysis of 2001 Census for Herefordshire, the following is an estimate of the pupil yield for each dwelling size:

| Size of dwelling> Pupil yield per school | 2+bed flat/maisonette/ apartment | 2/3 bed house/bungalow | 4+ bedroom house/ bungalow |
|---|---|-------------------------------|-----------------------------------|
| Pre-school | 0.011 | 0.023 | 0.034 |
| Primary pupil yield | 0.093 | 0.163 | 0.267 |
| Secondary pupil yield | 0.059 | 0.111 | 0.228 |
| Post 16 pupil yield | 0.005 | 0.005 | 0.005 |
| Youth | 0.026 | 0.035 | 0.069 |
| SEN | 0.168 | 0.302 | 0.534 |

The developer contribution request for each type of house is calculated and shown in the following table:

| Contribution by No of Bedrooms | Pre-School | Primary | Secondary | Post 16 | Youth | SEN | Total |
|---|------------|---------|-----------|---------|--------|------|---------|
| 2+bedroom apartment | £207 | £1,748 | £1,432 | £121 | £631 | £261 | £4,400 |
| 2 or 3 bedroom house or bungalow | £432 | £3,063 | £2,695 | £121 | £850 | £468 | £7,629 |
| 4+ bedroom house or bungalow | £639 | £5,018 | £5,535 | £121 | £1,675 | £828 | £13,816 |

For clarity, here is a worked example of how the contribution per house is calculated:

DfE scorecard average (including adjustment factor) x pupil yield for type of house =

£ contribution request per house.

Primary contribution for a 2/3 bed house= £18,794 x 0.163 = £3,063

Updated: 1st August 2022