



NORTH YORKSHIRE SCHOOLS FORUM

Date of meeting:	Thursday, 18 March 2021
Title of report:	Update on SPTCP (Specialist Provision Targeted Capital Programme)
Type of report: Delete as required	For discussion / information only
Executive summary: Including reason for submission	Report provides an update on the development of the programme and details the resources that have been committed to date from the programme
Budget / Risk implications:	In the absence of solutions to the limited nature of our specialist provision, there is a risk of increased spend on independent placements
Recommendations:	Schools Forum is invited to note (a) the commitments to date set out in section 3 of this paper and (b) the next steps outlined in section 4.2. of this paper
Voting requirements:	None
Appendices: To be attached	Appendix 1 :- DfE Communication (February 2021) :- High Needs Provisional Capital Allocation
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Presenting officer: If not the originator	

1.0 PURPOSE OF THE REPORT

- 1.1 This report provides an update on the deployment of resources within the Specialist Provision Targeted Capital Programme (SPTCP) that was formulated following discussion and agreement at the Schools Forum meeting in March 2020. The report also provides an update on the formulation of plans to meet the demand for specialist provision in future years.
- 1.2 This report also covers additional LA capital allocations and the impact they may have on the amount of commitment to the Specialist Provision Targeted Capital Programme in 2021/22.

2.0 BACKGROUND

Context

- 2.1. At the meeting in March 2020, it was agreed that a sum of up to £2 million per annum would be earmarked to form an initial resource base for the SPTCP.
- 2.2. This recognised that the development of appropriate provisions to meet our longer-term requirement for specialist provision and the identification and securing of capital resources to facilitate the delivery of such a programme, would be a programme that might require investment over a longer-term period.
- 2.3. The specific commitment from the Schools Forum report (March 2020) was that annual contributions to the SPTCP from Schools Condition Grant (SCG) would not exceed £2m per year, or 40% of the Programme element for improvement schemes. In addition, the LA undertook to discuss and agree with Schools Forum should the LA wish to allocate more than 40% in any single year.

Business Case

- 2.4. The rationale for our business case was set out in the March 2020 report, detailing how those key challenges linked up to our key strategic priorities – but this section reprises and updates those arguments.
- 2.5. Our plans for the next five years have a starting position that the scale of maintained specialist provision has historically been relatively low in North Yorkshire compared to other authorities. According to the DfE High Needs benchmarking tables, the percentage of pupils with EHCPs supported in Special schools is 8.35% in 2019-20 compared to a national average of 12.13% - with North Yorkshire only being ranked 134th amongst all local authorities on this measure. This is despite the increases we have managed to achieve through negotiation with schools and judicious deployment of the limited capital available via the DfE Specialist Provision Capital Fund (SPCF).
- 2.6. That historic position has become more pressurised in recent years because the rate of increase in EHCPs has been higher than the national average (admittedly starting from a relatively low base position) - with the rate of growth being particularly accentuated in new EHCPs for pupils whose primary needs are either ASD or SEMH.

- 2.7. Beneath the headline figures of numbers of specialist places, we also feel that providing sufficient specialist places to meet those increasing needs is more challenging in a Shire county with the characteristics of North Yorkshire. The local authority is a super-sparsely populated and large county where single provisions are unable to support all of the local authority area. In addition, travelling distances and times (which are significant even between our major conurbations) across the County can act as a major inhibitor to finding appropriate Specialist provision which is sufficiently local for families. Given the highly rural nature of large parts of the County it is often the case that pupils are travelling in excess of 45 minutes in either direction to access provisions that can appropriately meet their needs (which would be unlikely in an urban scenario).
- 2.8. As an authority, we have sought to engage constructively with funding opportunities - as evidenced by the successful application for a Special free school in Selby. In addition, the SEN Strategic Plan set out our ambitions to develop a range of provisions across each of our five localities in the County that support pupils with SEND more effectively across the continuum of need. Evidence of this approach is in our plan to develop a county-wide network of targeted provisions (which also represented an opportunity to develop our specialist capacity at a modest scale of capital investment – which we have committed to support from capital resources already made available to the authority). However, we do feel that we have been disadvantaged by only receiving, to date, the floor allocation for the Special Provision Capital Fund, which compounds the impact of the authority's schools not having been major beneficiaries from PFI/BSF.
- 2.9. The combination of the above contexts is that we have experienced significant increase in our number and cost of independent placements over the course of the last three years:
- Our expenditure is now above the national average (DfE high needs benchmarking data for 2019-20 details our spend at £123 per young person, which places the authority 45th highest amongst all authorities);
 - Our rate of growth over the last three years is also significantly above the national average (the equivalent measure for 2016-17 in the DfE high needs benchmarking dataset saw North Yorkshire's spend of £60 being ranked 106th amongst all local authorities).
- Furthermore, our analysis of the new placements indicates that, almost universally, the pinch-points for us have been cases where the primary need of the young person was either SEMH or ASD (the two areas with the most rapid rates of growth in EHCP numbers over the course of the period 2014 to 2020).
- 2.10. This in turn has contributed significantly to the deficit position on the High Needs DSG budget. We would want to emphasise that our objective is not to cease new placements in independent provision – and some provision is excellent in meeting the EHCP requirements of young people with complex needs. However, we feel there are significant opportunities to meet need in our own provision and for us to ensure that provision will meet needs on a more localised basis, but our biggest blocker is the access to capital resources to develop new provisions.
- 2.11. Taking the above factors into account, our strategic priorities remain as follows :-

Autism – continue to develop a range of provisions to meet growing demand, as evidenced by EHCP growth, and in doing so ensure that across universal, targeted and specialist provision young people with Autism can access a suitably stretching curriculum as well as specialist support.

SEMH – development of locality based provisions to meet the needs of secondary pupils and potentially upper Key Stage 2 pupils

Targeted provisions – roll-out of Phase 2 and Phase 3 of the targeted provisions programme

Modernising special schools – ensuring that our maintained special schools have the facilities that ensures they are seen as appealing and vibrant spaces for children to learn and families have confidence in the range of local specialist options available.

Investment in PLP /PRS – particularly addressing the condition / curricular facilities available in PRS, and ensuring that the PLP hubs have sufficient capacity and appropriate facilities to meet the more complex needs and increasing numbers of Post-19 learners

3.0 PROGRESS/UPDATE

3.1. Revisiting March 2020, our ambition was to develop a programme, which could potentially see the SPTCP complemented and extended by funding from other sources (including the DfE) in order to develop a large scale transformational programme. Unfortunately, one of the consequences of Covid has been to both significantly exacerbate the restrictions in public sector spending, compounded by the uncertainty that has been brought to that fiscal landscape. However, the potential for DfE funding to be made available to support Specialist provisions (as announced in December 2020 and discussed further in section 3.3.) does provide an opportunity to evaluate what a feasible programme could deliver.

3.2. As well as the fiscal uncertainty, work has progressed to determine the optimal approach, taking account of a number of facets which all have elements of uncertainty surrounding them :-

- Assessing the level of demand for potential new/ expanded provisions, and ensuring that resource plans for the High Needs budget both reflect those assessments, and that those resource plans would benefit from the development of such capacity.
- Assessing that any new provisions can operate on a basis that is financially self-sustainable and offer high quality provision.
- Assessing the likely lead-in time for new provisions.
- Investigating options that could involve the use of existing sites and accommodation within the North Yorkshire portfolio, given that the likely financial envelope will make it very challenging to afford the acquisition and development of new sites.
- Developing a clearer picture of the role of targeted mainstream provisions in supporting pupils who may, without an enhanced offer of support within a mainstream setting, have required special school places.

Capital resourcing - Further SPCF funding

- 3.3. The DfE announced in December 2020 that £300 million of capital resource would be made available to support local authorities in developing specialist provisions. Initially their feedback was that further details would be provided in January, but the DfE wrote to authorities recently (communication attached as Appendix 1) providing further details. They specified that £280 million of funding will be allocated on a formulaic basis and specifically as follows :-

“It will be allocated proportionally, based on each local authority’s estimated share of future growth in the High Needs pupil population – using a combination of ONS population projections and national data on Education Health and Care Plans (EHCPs), as well as data on funding already being provided in the form of new Special and AP Free Schools”

- 3.4. It is not possible to speculate on the likely outcome of these three formula factors. Given that North Yorkshire qualified for the minimum funding allocation from SPCF Round 1 – this amounted to £848k in total (*1) – we would be concerned that this particular combination of factors might result in North Yorkshire again receiving the minimum funding allocation, when we are also aware that our level of specialist provision is relatively low in comparison to other authorities.

(*1) given that North Yorkshire is a relatively large county, in pupil population terms, our allocation of SPCF amounted to the lowest allocation per head of population across all local authorities.

- 3.5. We did caveat the original proposal around earmarking an element of schools condition grant (SCG) – in order to ensure that if the authority did access significant external funds, there was scope to revisit whether it remained appropriate to commit funds in the manner proposed. The relevant section from the Schools Forum report – March 2020 is:-

“Should the LA be successful in securing significant external funds for SPTCP purposes then the approach set out in this report would be revisited with the Schools Forum prior to any further SCG commitments being made to the SPTCP”

- 3.6. However, our assessment is that whilst additional resource from this new round of SPCF could prove very useful in helping us to meet more of our strategic priorities (heavily dependent upon the scale of the resource allocation), it is not likely to be of a scale that the authority would revisit the operation of the SPTCP. We will keep this issue under review and update the Schools Forum. It is of note that SPCF is the only funding source available to the LA for costs associated with development of any future targeted provisions at either academies or voluntary aided schools.

Capital Resourcing - Other funding

- 3.7. In June 2020 the LA received a further £4.54m allocation of Schools Condition Grant for 2020/21. This was in addition to the initial allocation of £9.78m, which formed the basis of the 2020/21 Schools Condition Capital Programme.
- 3.8. In December 2020 the NYCC Executive approved a proposal that the first commitment against this additional funding should be for a programme of mechanical works targeting the upgrade/replacement of boilers and heating infrastructure at a number of community and voluntary controlled schools. This commitment totalled

£1.8m and Executive further agreed that the unallocated £2.7m be rolled forward for inclusion in the Schools Condition Capital Programme for 2021/22.

- 3.9. In Spring 2021 the LA submitted a bid to the Public Sector Decarbonisation Fund, which included proposed works at schools (primarily window replacements) in excess of £1m. There has been no formal announcement yet, but we remain hopeful of success.
- 3.10. These unexpected funding streams will/would allow more capital maintenance on schools to be undertaken outside of what hitherto has been the standard annual allocation of schools condition grant. Therefore the impact is anticipated to be that a greater than usual amount of capital will be available for allocation across the 2021/22 Schools Condition Capital Programme. This may allow an enhanced commitment for improvement schemes in 2021/22 and potentially a higher than anticipated allocation to the SPTCP.
- 3.11 The governance principles agreed with Schools Forum in 2020 around the amount of the annual SPTCP allocation were:
- Total annual contributions to the SPTCP from SCG would not exceed £2m per year, or 40% of the Programme element for improvement schemes
 - Schools Forum agreement would be required should the LA wish to allocate more than 40% in any single year
- 3.12. Given the position set-out above it is possible that the 2021/22 commitment for SPTCP may exceed the 40% threshold. This is not yet certain as it will depend on both the forthcoming SCG allocation announcement and the finalisation of cost estimates for improvement schemes which may be included in the 2021/22 Programme. Schools Forum are therefore requested to provide their agreement in principle only to the outline proposal that the 2021/22 SPTCP allocation would exceed the 40% threshold and also note that the committed sum for 2021/22 could be in excess of £2m.

SPTCP Commitments

- 3.13. Given the strategic planning phase that has been taking place, we have made relatively few commitments from the first tranche of SPTCP and have restricted the use of funds to essential developments, which are either (a) smaller scale projects with the potential to significantly expand capacity at existing specialist provisions or (b) the roll out of phase 1 of targeted mainstream provisions.
- 3.14. In order to meet the growing demand for places at Springwater School approval has been given to a scheme to renovate the former Starbeck Children's Centre for use by the school to provide additional post 16 provision and relocate space from the main school site for administration. The estimated costs of the scheme are circa £280k and will increase capacity from 85 to 106 places. The scheme is scheduled for delivery prior to September 2021.
- 3.15. Resources of circa £354k have been approved to complete the remaining phases of the work associated with the development of the Ripon satellite provision for Mowbray School.

- 3.16. Targeted Mainstream Provisions remain a key development to enhance SEND provision, and ensure sufficiency, across the county. In January 2021 the first three provisions opened at Grove Road Community Primary School, East Whitby Academy and Holy Family Catholic High School. The cost of delivering the necessary work at Grove Road from STPCP is approximately £22k. Work carried out at both Academies has been funded through Special Provision Capital Fund. Further provisions at maintained schools include Alverton Community Primary School, Wensleydale School, Selby High School and Thirsk School continue to progress towards delivery. Capital schemes are under development and are expected to be in the region of £480k in total.
- 3.17. A £13k commitment has been made for feasibility work to explore options that could involve the use of existing sites and accommodation within the North Yorkshire portfolio.
- 3.18. The project specific commitments against the initial 2020/21 SPTCP allocation of £1.6m are, as yet, relatively small. This was expected, and Forum are reminded that a principle of the SPTCP is that a fund would build up over time to address the strategic priorities set out in section 2.

4.0 NEXT STEPS

- 4.1. The annual allocation announcement of Schools Condition Grant is expected in April 2021. This will enable the proposed 2021/22 Schools Condition Capital Programme to be finalised, and this will again include an allocation to the SPCTP. It is anticipated that the proposed programme will be presented to Schools Forum on 27 May 2021. As usual practice the majority of that programme will be presented for information only, however if the 40% SPTCP threshold is to be exceeded then this will need agreement by Forum. The 2021/22 School Capital Programme will then be subject to approval by the NYCC Executive on 8 June 2021.
- 4.2. Given that the DfE announcement of SPCF funding should also be received in the relatively near future, we will utilise that opportunity (which provides greater clarity over one of the uncertain elements of the plan) to review and confirm our strategic priorities.

5.0 RECOMMENDATIONS

- 5.1 Schools Forum is requested to:-
- (a) provide their agreement in principle to the outline proposal that the 2021/22 SPTCP allocation may exceed the 40% threshold, and also note that the committed sum for this year could be in excess of £2m.
 - (b) note the commitments to date set out in section 3 of this paper
 - (c) note the next steps as set out at in section 4 of this paper

STUART CARLTON

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25 February 2021

HIGH NEEDS PROVISION CAPITAL ALLOCATIONS

Dear Colleagues

In November 2020, we announced we would allocate [£300 million in 2021-22 for new school places for children with special educational needs and disabilities](#), almost four times as much as the government provided to local authorities (LAs) in 2020-21. I am now pleased to be able to confirm further details of how this funding will be distributed to the sector.

I can today confirm that £280 million will be allocated to LAs through formulaic allocations which we aim to announce this Spring. These allocations are intended to support local authorities to deliver new places and improve existing provision for children with SEND and for those pupils that require alternative provision. This funding will support the provision of places needed by September 2022. It will be allocated proportionally, based on each local authority's estimated share of future growth in the High Needs pupil population – using a combination of ONS population projections and national data on Education Health and Care Plans (EHCPs), as well as data on funding already being provided in the form of new Special and AP Free Schools. A minimum funding floor will ensure every LA receives at least £500k. We anticipate paying the resulting grants to LAs in the summer. Further details regarding the methodology used to calculate the allocations, payment dates and associated conditions of grant will be released alongside the allocations.

The remaining £20 million will be used for specific High Needs capital projects in support of ongoing work with some of the local authorities facing high Dedicated Schools Grant (DSG) deficits. We have already been in contact with the LAs who will be eligible for this funding.

Local authorities should note these funding allocations and methodology only cover the financial year 2021-22 and may be subject to change in future years. Future funding, and any future allocation methodology, will be subject to the outcomes of the next Spending Review.

As per my letter in January regarding the Basic Need capital allocations, in planning capital projects, we expect that local authorities will think strategically and consider economies of scale or efficiencies that may be achieved through, for example, combining condition works and expansion schemes, including as part of decisions taken in concert with other responsible bodies.

Finally, you may recall that in April 2020, in order to reduce burdens on LAs during the coronavirus pandemic, the DfE relaxed the requirement on LAs to publish updates to their local plans – a requirement attached to the previous [Special Provision Capital Fund](#) (which provided funding between 2018 and 2021 for new places and to improve existing provision for pupils with EHCPs). I would like to take this opportunity to inform you that, as per our original [guidance](#), we would now like you to undertake a final update of your published local plans, setting out how this funding was used. Further details, including revised deadlines for making this update, will be published alongside the allocations mentioned above.

I hope this additional information is helpful as you continue to plan school capital projects.

A handwritten signature in black ink that reads "ER Berridge". The signature is written in a cursive style with a long horizontal line extending from the bottom of the name.

ELIZABETH BERRIDGE

PARLIAMENTARY UNDER SECRETARY OF STATE