



NORTH YORKSHIRE SCHOOLS FORUM

Date of meeting:	12 March 2020
Title of report:	Specialist Provision - Capital Investment
Type of report: Delete as required	For discussion only
Executive summary: Including reason for submission	To brief Forum on the need for investment in North Yorkshire Specialist Provision and the proposal to develop a Specialist Provision Targeted Capital Programme
Budget / Risk implications:	None
Recommendations:	To note the contents of the report
Voting requirements:	N/A
Appendices: To be attached	Appendix A – Glossary of Terms
Report originator and contact details:	Martin Surtees, Martin.surtees@northyorks.gov.uk Andrew Dixon, Andrew.Dixon@northyorks.gov.uk
Presenting officer: If not the originator	Martin Surtees and Andrew Dixon

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is:

- to brief Forum on the case for increased investment in the Special School estate and wider specialist provision in North Yorkshire;
- to explain the concept of a Specialist Provision Targeted Capital Programme and to explore how this may impact upon the School Condition Capital Programme from 2020/21 onwards.

2.0 BACKGROUND

THE ISSUES AND THE AMBITION

- 2.1 Our specialist provisions have come under intensive pressure in recent years and we have been aware for a significant period of time that our range of provisions - whilst around the shire county average - were stretched in terms of meeting all needs in all localities (which is a particular challenge to an authority with such a sparsely distributed pupil population).
- 2.2 That pressure has been exacerbated by the significant growth in EHCPs from 2014 onwards – increasing from 1,737 plans in December 2014 to 3,057 plans in December 2019.
- 2.3 Both the growth in numbers of EHCPs, and the particularly rapid growth in the plans relating to ASD and SEMH, have accentuated the pressure and in turn have led to the authority having to deploy a significant number of placements in the independent sector. (*1)
- 2.4 Given that the cost differential between an average cost of place in the independent sector and the average cost of a place in a special school is typically £42,000 this places significant additional pressure on the High Needs budget. (*2)
- 2.5 In terms of modernising and extending our range of specialist provisions, we have tried to help ourselves, both in terms of extending our existing capacity and setting the aspiration for more robust pathways in the SEN strategic plan.
- 2.6 For example, we have extended the numbers of places at Forest Special school through the deployment of School Condition Grant and deployed Special Provision Capital Fund (SPCF) to develop additional provision and capacity at Mowbray Special School (*3).
- 2.7 To further “help ourselves” to modernise and update the portfolio of specialist provisions, we have also engaged with the free school process and been successful in securing the Free school in the Selby area as part of Wave 13.
- 2.8 Nevertheless we consider that:
- a number of our existing special schools are at the position in terms of the space on their sites that further expansion would be either unfeasible or prohibitively expensive (*4)

Specialist Provision – Capital Investment

- their specialisms / designation are not in the areas where we are experiencing most acute pressure
 - their geographical location does not always support pupils being supported close to their local communities
- 2.9 In addition to the desired investment in Special School provision we also, as a result of the SEND Strategic Plan, have committed to provide more robust pathways through the development of targeted provisions. These 31 provisions will be invaluable in supporting pupils who with some additional specialist support can continue to access mainstream provision.
- 2.10 We have therefore taken stock due to a combination of :
- (a) increased pressure for independent sector placements and the very real challenges of quickly identifying appropriate provision to support all young people, and
 - (b) the increasing pressure on the high needs budget.
- 2.11 It is particularly the pressure on our high needs budget that has led the authority to conduct a future proofing review of our specialist provision. The hypothesis for that review is that:-
- Significant investment in both extending the range and remit of specialist and targeted provisions, and enhancing the suitability and quality of learning environment in our existing facilities, could both improve the learning outcomes and experience for a wider cohort of young people and reduce the dependency on out-of-county placements.*
- 2.12 Within that headline hypothesis, there are some implicit assumptions of :-
- putting the child's/ young person's needs at the centre of placement decisions
 - striving to achieve placements which meet the child's/ young person's needs and as far as possible do so in the local community
 - recognising that our range of specialist provisions can never fully meet the needs of all children and young people
- 2.13 Also at the heart of the hypothesis is reducing the dependency on independent sector placements. Given the trends in those placements and the pressure points, it is inevitable that part of our focus is on the specialist provisions for pupils with Autism and SEMH.
- 2.14 Our initial analysis has concluded that there are significant gaps in provision, and that our ambition would be to deliver a Specialist Provision Target Capital Programme (SPTCP) which potentially includes the following elements :- (*4)
- **Autism** – development of a new special school to meet the needs of high functioning pupils who cannot thrive within a mainstream environment but require curriculum stretch
 - **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

Specialist Provision – Capital Investment

- **Modernising special schools** – ensuring that our maintained special schools have the facilities and present in a way that makes them comparable to Independent Special schools (*5)
- **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

THE CAPITAL CHALLENGE

- 2.15 The scale of capital investment necessary to deliver such a programme as set out at section 2.6 above would be of the order of £10s of millions. It must be emphasised that at this juncture we do not have a definitive capital resource to meet those requirements.
- 2.16 The **potential** available capital resources to support this future proofing programme comprise:-
- local authority schools capital – in the form of the School Condition Grant made available to meet the needs of all maintained schools in the local authority
 - SPCF – this resource has been fully allocated – and we are not anticipating further rounds, although it could be a vehicle for the DFE to enhance specialist provision capacity
 - other DFE funding streams – currently the only other vehicle available within the maintained sector is the Free School programme, although our strategic planning capacity is inhibited by the uncertainty over the timing of future waves and the designation of projects for each wave
 - local authority capital resources / reserves (*6)
 - schools own devolved resources
- 2.17 The uncertainty over the scale of the programme is partly because we are discussing with the DfE whether there could be scope to identify funding streams that could be made available to expand / reorganise specialist provision, and in ways that might work more advantageously than the current configuration of the free school programmes. An outline business case is being developed that will enable the authority to reach judgements about the scale of likely capital investment and funding routes.
- 2.18 Forum Members will be familiar with School Condition Grant (SCG). It is allocated annually to the Local Authority for investment in the condition of our maintained school stock. Forum see the nature of the Schools Condition Capital Programme (although not the amounts committed to individual projects due to commercial sensitivity) each year prior to Member approval. Typically the amount received is broadly split 50/50 between planned capital maintenance projects and improvement schemes related to condition/suitability. This approach has been consistent for several years and we intend to maintain the same broad principle moving forward.
- 2.19 The amounts we receive reduce each year in line with academy conversions:

2017/18	£11,940,118
2018/19	£11,588,948

Specialist Provision – Capital Investment

2019/20	£10,151,416
---------	-------------

- 2.20 Over the past decade the amount of investment through SCG on special schools has been minimal compared to that for mainstream schools. Since 2010 the LA has received c. £118m in SCG of which only c. £3.8m (3%) has been invested in planned maintenance or improvement projects at North Yorkshire special schools. Of that over £1m relates to a single project, that being the recent expansion at the Forest School through the 2018-19 Programme.
- 2.21 School Condition Grant is the only external capital resource that the LA can have some certainty about, although the specific amounts are never known until the annual funding announcement. It is therefore proposed that a fund is built up for investment in the SPTCP outlined above at section 2.6 by virtue of commitments against the annual Schools Condition Capital Programme. To emphasise, it is our strong contention that without constructing such a programme it is likely that we will continue to face exponential growth in independent sector placements.
- 2.22 It is proposed that commitments within the School Condition Capital Programme would only be set against the funding allocated for investment in suitability and condition related schemes. This element of the Programme for 2019/20 totalled £5.52m. The Programme element for planned maintenance would be unaffected by this proposal and would continue to be prioritised on condition basis across all schools.
- 2.23 It is suggested that moving forward the following principles would apply:
- Commitments for the SPTCP could be for individual projects, or for block sums to build up an SPTCP fund
 - Commitments to individual SPTCP projects would require Member approval/ratification either through the NYCC Executive through presentation of the annual School Condition Capital Programme, or through the quarterly capital monitoring arrangements should it be necessary to approve a project in mid-cycle
 - Schools Forum would receive bi-annual reports on the deployment of block sums (noting commercial sensitivity) and the overall position of the SPTCP and its associated fund
 - 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
 - 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
- 2.24 Starting in 2020/21 an amount could be earmarked over a 5 year period to begin to address the ambitions and priorities of the Specialist Provision Targeted Capital Programme. However, clearly this would be a long way short of being sufficient to address all of the identified needs within North Yorkshire. The LA will continue to develop and actively discuss our business case for investment routes with the DfE in the coming months.
- 2.25 The anticipated timetable, subject to funding announcements, is that the proposed 2020/21 School Condition Capital programme will be presented to Schools Forum on

Specialist Provision – Capital Investment

21 May 2020. As usual practice this will be for information only. The Programme will then proceed to NYCC Executive for approval on 9 June 2020.

3.0 RECOMMENDATIONS

- 3.1 Schools Forum will note the proposed approach towards developing a Specialist Provision Targeted Capital Programme using School Condition Grant and provide feedback on the suggested principles set out at 2.23.

STUART CARLTON

Corporate Director – Children and Young People’s Service

APPENDIX A - Glossary of terms

School Condition Grant (SCG) – the amount allocated to NYCC by Central Government on an annual basis to address condition issues in maintained schools

School Condition Capital Programme – the annual programme containing commitments to both maintenance and improvement projects using SCG and any other funding stream available to the LA at the point in time

Specialist Provision Targeted Capital Programme (SPTCP) – is proposed to tackle the gaps in specialist provision in North Yorkshire and the ambitions of the SEND Strategic Plan. It would form a part of the overall School Condition Capital Programme, but be considered as a discreet programme and fund.

Specialist Provision Capital Funding (SPCF) – short term funding provided to LAs by Central Government which has now ceased.

Notes

(*1) Whilst our planned expenditure on Independent sector placements has risen dramatically over the past five years (from £1.39 million in 2014-15 to a latest estimate of £6.93 million for 2019-20), we still consider that the number of placements and associated costs are not out of line with other local authorities.

(*2) There is a wide range of cost of placements within the independent sector (ranging from circa £35k per annum upto £90k per annum) – and whilst some placement pressure is considered to emanate from the limited range of in-house specialist provisions, it is acknowledged that there will always be a small cohort of pupils whose needs are sufficiently complex and specialist that an independent sector placement will be the most appropriate solution to meeting their needs.

(*3) facilitating an additional 40 places at Mowbray School and an additional 25 places at the Forest School

(*4) this summary of a potential programme will be tested further through the development of a full outline business case – by June. Schools Forum and in particular the High Needs Sub Group will be involved in discussions regarding the content of the final programme. The outline business case will also assess delivery timescales, programming of the various projects and the investment priorities for differing levels of capital resource availability.

(*5) our ambition would extend to also include academies, but the available funding to address the condition of academy special schools sits within the Condition Improvement Fund.

(*6) the mandate of the local authority to deploy capital reserves to meet schools capital requirements is being tested in the light of the announcements on ringfencing of DSG related expenditure.