

# North Yorkshire Council

## Children & Young Peoples Services

### Executive Members

18<sup>th</sup> April 2023

## SPECIAL EDUCATIONAL NEEDS (SEND) CAPITAL PROGRAMME

### Report of the Corporate Director, Children and Young People's Services

#### 1.0 PURPOSE OF REPORT

1.1 The Council faces significant challenges in terms of the sufficiency of its specialist provision, and this report details how resources amounting to circa £20 million should be allocated to address the most pressing concerns

#### 2.0 SUMMARY

2.1 This report sets out proposals to deliver a programme of expanding SEN Specialist capacity within North Yorkshire. It builds upon discussions that have taken place over a significant period of time and is given added impetus by the need to deploy the High Needs Provision Capital Allocations we have been allocated by central government in an effective and timely manner. Whilst we have significant concerns about the suitability and condition of our special schools, this paper will set out that our assessment is that the overarching priority with the limited capital resource envelope available is to respond to our capacity challenges.

2.2 The report discusses how an overall resource provision of circa £20 million has been developed, and details proposals on how to allocate that resource.

#### 3.0 BACKGROUND

3.1 There are a significant number of important contexts to the general need for additional specialist provision capacity and the specific considerations about precisely what schemes and issues the local authority should be addressing within any programme.

3.2 **An assessment (dating back to 2021) that our shortfall in specialist provision places would amount to 350 places over a three to five year period.**

3.2.1 We undertook an exercise in 2021 that reviewed our medium-term demand for specialist provision capacity – and established that there was a potential projected shortfall of approximately 350 places over the next three to five years. This remains our working assumption although this will be monitored closely as there is a continuing trend for an increased number of assessments.

### **3.3 The shortage of capacity is partly the product of historically low levels of specialist provision**

3.3.1 Our level of specialist provision per head of population is below the national average. The DfE high needs benchmarking tool indicates that in the latest national dataset (as at January 2022), our level of provision was 10.23 per 1,000 head of population compared to a national average of 12.09, leaving North Yorkshire ranked 101<sup>st</sup> out of 150 local authorities. If the measure is expanded to measure special schools AND resource units then our rank deteriorates significantly to 118<sup>th</sup>.

3.3.2 The relatively limited specialist provision capacity, at a time when our Education Health and Care Plan (EHCP) rates have been increasing rapidly, has generated the increased demand for additional places in the independent sector (which typically have far higher unit costs). As per the DfE High Needs benchmarking tool, our spend on Independent and non-maintained special school placements is £125.15 which places North Yorkshire as the 77<sup>th</sup> highest spending authority on this category of placement.

3.3.3 These issues are most acute in relation to autism and SEMH (social, emotional and mental health) placements, which is a theme discussed further at 2.6. below

### **3.4 Whilst we were successful in securing the Selby Free School through the DfE Special Free School programme, DfE's delivery of the school has been extremely slow.**

3.4.1 The Selby free school bid was approved in Spring 2019 but the latest estimated date for opening is at some point in the calendar year 2025. This is disappointing given that the 100 places that the school will create are urgently needed to address overlap capacity shortfalls and provide access to a local provision to families from the Selby area

### **3.5 The SEND Strategic Plan in 2018 specifically set out the ambition to develop 31 targeted mainstream provisions, meeting C&I (communication and interaction) and SEMH needs across the five localities in the county. To date, progress has been modest and we currently (as at Feb 2023) have 10 provisions in operation**

3.5.1 Our approach to date has been based upon exploring with the schools community if we can find constructive/ collaborative partners to develop and operate high quality targeted mainstream provisions. This has proven successful in establishing ten provisions – and there is serious interest from three further schools in opening new provisions during the 2023/24 academic year.

3.5.2 The schedule of current provision is detailed in the table below

Table 1: Current operational targeted mainstream provisions

<b>Scheme</b>	<b>Locality</b>	<b>Designation</b>	<b>Opening</b>	<b>Capital Cost</b>
Wensleydale	Hamb/Rich	C+I Secondary	01/09/2021	£256,000
East Whitby Academy	Whitby	C+I Primary	01/01/2021	£50,000 contribution
Grove Road Prim	Harrogate	C+I Primary	01/01/2021	£21,948
Holy Family Catholic High	Selby	C+I Secondary	01/01/2021	£5,548
West Cliff Primary	Whitby	SEMH Primary	01/11/2021	£84,000 contribution
Alverton Community Primary	Hamb/Rich	C+I Primary	01/11/2021	£300,000
Stokesley Primary	Hamb/Rich	SEMH Primary	01/03/2022	£50,000 contribution
Thirsk (with Sunbeck PRU)	Hamb/Rich	SEMH Secondary	01/09/2022	£196,000
Skipton Academy	Craven	C&I Secondary	01/12/2022	£380,000
Caedmon College	Whitby	C&I Secondary	01/01/2023	£30,000 estimated

- 3.6 Our rural context and large geographic area provides particular challenges – establishments with particular specialisms are unable to serve the whole county area, and the distances to some parts of the county mean that accessing provisions in Other Local Authority settings is challenging.**
- 3.7 Our key priorities have evolved since the SEND Strategic Plan – and we have agreed partners for some time that our two biggest gaps in provision are SEMH provision in the north of the county and autism provision for secondary-age pupils in a central location**
- 3.7.1 We have triangulated this view with a more detailed analysis of new independent sector placements (covering the three-year period 2018 to 2021) and we identified that 95% of the new independent sector placements over that period were for young people with either a primary need of SEMH or Autism.
- 3.7.2 In the case of the SEMH analysis, the tracking of individual cases and the circumstances applicable at the point of placement gave us significant confidence that the majority of the cohort of the young people could have been effectively placed in a special school SEMH provision in the Hambleton/ Richmondshire area if such a provision had been available. This analysis formed an integral part of our business case for the application for a new free special school provision in Northallerton.
- 3.7.3 In the case of the Autism analysis, the evidence base needs closer scrutiny because the needs of the individual pupils can lead to a range of provisions being the most appropriate to support individual young people’s EHCP needs. We have a

significant sized cohort at Breckenbrough (a non-maintained school), and our judgement was that this provision was the most appropriate to meet the needs of some (but not all) pupils who have previously been the subject of placements at this school. Our assessment was that we need to develop a provision for young people with Autism needs who require the support of a specialist placement where they have access to a formal curriculum constructed to support them achieve qualifications at GCSE. This was considered to be a more structured curriculum offer than available in our existing special schools.

- 3.7.4 In terms of size and location, we have reached a pragmatic view that the cohort numbers for Secondary pupils would be able to support a financially viable provision, and that given we do not have the resources to develop multiple provisions that we would seek to develop a new provision in a Central location in the authority to maximise the “reach” of the provision.
- 3.8 We submitted a bid for a free school in the Hambleton/ Richmondshire area in October 2022, as part of the most recent DfE Free Special school wave – and in early March 2023 we learnt that bid has been successful.**
- 3.8.1 The bid submitted in October 2022 was to develop a school with 120-place capacity on the Grammar school Lane site in Northallerton to support pupils with significant SEMH needs.
- 3.9 We have been innovative in developing additional capacity over the course of the last four years – and have experienced significant success with modest scale schemes at our maintained special schools, both in terms of high value for money (as measured as capital outlay per place created) and in terms of pace of new places coming onstream.**
- 3.9.1 Within the projects supported by the Special Purpose Capital Fund, we have achieved significant successes, particularly the Ripon Mowbray scheme where a capital outlay of circa £750k secured additional capacity of 56 places – with a delivery timescale of 18 months. More recently, our investment of £100k at Mowbray school (Bedale) in Summer 2022 underpinned a project with a gross capital outlay of £306k which delivered three additional classrooms and a toilet block – and was developed within a six-month timeframe. There is significant potential in ‘mini-projects’ to deliver modest scale developments securing additional capacity at a relatively low level of capital outlay per places created and with the potential for additional capacity to be realised in a much shorter timeframe than major projects (particularly where we assess the risk profile of the projects are such that the school can manage those projects effectively)
- 3.10 Whilst we tend to have the view that the “low hanging fruit” projects, in relation to ‘mini-projects’ have been exhausted, there may still be scope to create some additional capacity through a combination of redevelopment of existing special schools, or the potential for Special schools to develop satellite provisions at mainstream schools or TMPs owned by Multi Academy Trusts.**

3.10.1 Despite our relatively very low resource allocations in SPCF and HNPCA Round 1, the evidence is that we have increased the number of young people with EHCPs in Special schools broadly in line with the national average position or achieved even better.

**3.11 Furthermore, our Special schools generally remain small in comparison to the national average, and we think there is a strong connection that this contributes significantly to the financial viability challenges that a number of the schools face.**

3.11.1 Table 2 sets out the recommended commissioned number of places for each of our special schools for the Academic Year 2023/24 – as well as detailing the estimated commissioned place numbers based upon trend data. The latter figure generates an aggregate place number which is 53 places more than the commissioned place numbers we have actually deployed within our commissioning and budget setting discussions with schools – and this is a reflection of the limited capacity at some key pressure point schools.

3.11.2 Based on commissioning information, it is anticipated that there is a shortfall of circa 80-100 places going into the 2023/24 academic year.

Table 2: Commissioned Places at North Yorkshire Special schools

	Estimated 2023/24 Academic Year Commissioned Places based on trend only			Actual Commissioned Places Academic Year 23/24
	North Yorkshire	Other Local Authorities	Total	Total
<b>Brompton Hall</b>	61	6	67	67
<b>Welburn Hall</b>	97	1	98	98
<b>The Woodlands</b>	120	32	152	132
<b>The Dales</b>	76	5	81	75
<b>Springhead</b>	96	4	100	97
<b>The Forest</b>	141	3	144	137
<b>Springwater</b>	110	3	113	110
<b>Brooklands</b>	81	11	92	88
<b>Mowbray</b>	312	6	318	309
<b>Forest Moor</b>	79	1	80	80
<b>Total</b>	1,174	72	1,246	1,193

3.11.3. In addition, the table shows that the majority of North Yorkshire Special schools are below the average size of Special schools in England – which is around the 120 pupil mark.

### **3.12 Pressure in terms of assessment numbers would indicate that this estimate may need refining upwards**

3.12.1 During the course of 2022/23, we have seen a very marked increase in the number of requests for assessment, so that the numbers received during the calendar year 2022 were 908 compared to 726 in 2020 and 702 in 2021 (with 700 new assessments having been a reasonably stable level for a number of years). Furthermore, that trend really emerged from Easter 2022, so that forecasts of the likely number of requests for the financial year 2022/23 are between 980 and 1,090.

### **3.13 HNPCA allocations have been significant but disappointing in comparison to other authorities**

3.13.1 The government have allocated £2.6 billion in the autumn 2021 Spending Review to support local authorities to address potential deficiencies in specialist provision capacity. This level of national investment is welcomed by North Yorkshire but we do have significant concerns about the resource allocation methodology that the DfE have deployed.

3.13.2 Our HNPCA (High Needs Provision Capital Allocation) amounts to a total of £9.2 million and when added to the previous SEN Capital allocation round (Special Provision Capital Fund) we have received circa £10.1 million. (Special Provision Capital Funding covered the period 2018-19 through to 2020-21, and HNPCA has been allocated in 2021-22 through to 2023-24). This amounts to £88 per pupil within North Yorkshire. This compares to £483 per pupil in the case of Kensington and Chelsea. Perhaps the most stark comparison is with Salford City Council which has the benefit of having a starting position of roughly double the level of specialist provision (per head of population) as North Yorkshire but has received three times the level of funding per head of population

3.13.3 The allocation of HNPCA to local authorities also brings an accountability to evidence that the additional resources have specifically been deployed to generate additional capacity in terms of specialist provisions – and whilst there is some leeway in the DfE expectation, we are expected to deliver those additional places within a reasonable timeframe.

### **3.14 Whilst our priorities are about addressing our limited capacity in specialist provision, we were alerted in Summer 2022 to a potentially critical failure in the heating and drainage systems at Welburn Hall Special school. We are currently investigating a range of options for the optimal investment strategy – with permutations around the provision of both day provision and residential provision, and options that make use of the Welburn Hall site alongside opportunities to use other sites.**

3.14.1 Following the identification back in Summer 2022, of a potential critical failure of the heating and drainage systems at the school, we have commissioned through our



Property Services team a number of feasibility studies to provide greater clarity upon the likely programme requirements-

3.14.2 Initial feasibility studies identified a range of capital cost investment requirements of between £3.175 million and £4.069 million (dependent upon the precise decisions taken in relation to the drainage system and the type of heating system required in the future). In addition, if the works programme were to be taken forward, we would need to give consideration to (a) appropriate contingencies and protection against cost inflation (b) any further works needed beyond the House building to enable the school to support a pupil population of circa 120 pupils in the medium term and (c) whether there are any other condition-related works which we assess should be prioritised and undertaken in the House at the same time as the overall works programme.

3.14.3 For those reasons, we are working with a cost estimate of £5 million to undertake a programme of works that would facilitate the House being able to re-open and residential provision to be restored from academic year 2025-26.

3.14.4 The status of the £5 million estimate is that it enables us to earmark a credible resource level to address the Welburn Hall challenges – whilst we evaluate the optimal investment programme for the school.

#### **4.0 PROGRAMME PROPOSALS**

4.1 The financial implications section will detail that an aggregate resource of circa £20.5 million has been constructed to deploy in relation to the SEN Capital programme.

4.2 The approach adopted to developing the programme has been to work iteratively through the following demands on the programme

(1) Definitive commitments – either resources already committed, or where it would be imprudent of the authority to not be making an appropriate provision at this stage

(2) SEN Strategic Plan commitments – the SEN Strategic Plan set out the ambition of developing 31 targeted mainstream provisions, and the proposed programme includes a resource to support our assessment of what is a realistic pace of expansion in the programme across the next three years

(3) Key Strategic priorities – over the course of the last two years, we have consistently articulated that the two most significant gaps in our range of provisions are an SEMH provision to serve the North of the County (with the key locality to serve being the Hambleton / Richmondshire Area) and a Secondary Autism provision

(4) Most acute pressure points :- the limitations of our specialist provision have resulted in increasingly challenging rounds of annual admissions, and difficult decisions needing to be made about placements. This has resulted in some young people being placed in independent provision or supported through additional resources in mainstream provision, where we may have considered they would be most effectively supported in special school placements. We assessed that this challenge was most acute in relation to Springwater Special school in Harrogate,

and an opportunity presented itself to repurpose the 68a High Street and Meadowbank properties which adjoin the school and are currently occupied by Council Services, A scheme has been developed – with a projected cost of £3.1 million that provides 45 places – and this was approved at Executive (February 2023). Consequently, this scheme could be considered as falling into category 1 above

(5) Buildings at risk of catastrophic failure:- as discussed above, we were alerted in Summer 2022 to the risk of catastrophic failure in the buildings at Welburn Hall (and most specifically in the House building). Whilst work is ongoing to evaluate the optimal strategic future investment strategy, a resource of £5 million has been earmarked at this stage to ensure that there is resource available to enable the school to continue to operate.

4.3 All of the above priority areas are summarised in the table below, which evidences that just under £17 million of the available resources of £20.5 million is proposed as being earmarked. Whilst there is some discretion in relation to some of the schemes below, it has been assessed that to invest at lower levels would generate significant risks to provision or simply not be making appropriate provision for what are substantive financial risks to the authority. Further detail regarding the individual schemes / allocations is provided in Appendix 1.

Table 3: Initial Investment Priorities

	£000s	£000s	£000s
<b>1 Definitive Commitments</b>			
Miscellaneous Commitments	1,681		
Woodlands Contingency	250		
selby free school	250		
Hamb / Rich Free School	500		
Welburn Hall Temp Accom	300		
		2,981	
<b>2 SEN Strategic Plan priorities</b>			
further roll-out of Targeted Mainstream Provisions	2,400		
		2,400	
<b>3. Key Strategic Priorities</b>			
Central Secondary Autism provision	3,500		
		3,500	
<b>4 Response to critical placement pressures</b>			
Springwater Special school expansion	3,100		
		3,100	
<b>5 Risk of critical failure</b>			
Welburn Hall	5,000		
		5,000	
			16,981



- 4.4 There are three principal areas that the SEN Capital Board have identified as priority allocations from the remaining resources within the programme
- Mini-schemes leading to the expansion of existing special schools
  - Addressing shortages in Alternative provision capacity
  - Future proofing adult learning capacity (in the form of the Personalised Learning Pathways Service) to ensure we can meet the needs of learners across all localities in the County
- 4.5 However, prior to assessing the resource allocations, we have assessed that it would be prudent to include a general contingency within the programme – in case of either new emergency requirements of additional requirements being identified in relation to any of the ten spending areas identified in the earlier section regarding Initial Investment priorities. We are proposing to set that contingency at a modest level of £0.5 million.
- 4.6 These three areas are explored individually below – with the proposal being that £1.5 million is allocated to the mini-schemes programme, and £750k allocated to each of the Alternative provision and future proofing adult learning capacity block provisions.

### **Mini-schemes**

- 4.7 Given our previous experience of “mini-schemes” at existing special schools delivering schemes that rapidly secured additional capacity, and generally at a low level of capital outlay per place created, we had intended that, provided there was financial headroom, that we would seek proposals from our special school community along these lines. Furthermore, we have discussed this possibility with the Special School headteacher network, so that whilst there is no definitive commitment, there is some expectation that such an arrangement will ultimately form part of our programme.
- 4.8 In terms of the criteria we would apply to evaluate bids from schools, it is proposed that the following factors need to be part of the evaluation framework:
- Create additional places by, at the latest September 2024 (with added priority to schemes delivering additional places at an earlier date)
  - Cost per place must be below £50k per place created – with additional priority to schemes with relatively low capital cost per place
  - Schemes must be compatible with the effective operation of the school (i.e. not disruptive to other aspects of the school operation)
  - Additional priority to be assigned to schemes that provide additional places in our “school hotspots”
  - Schemes must facilitate the additional places being occupied by pupils with needs in line with the “admissions expectations” of the local authority
  - Schemes that support the delivery of additional capacity at schools with relatively low pupil numbers and which would enhance the financial sustainability of the school to be given additional priority
  - Schemes that bring into the equation surplus capacity in the mainstream sector will be favourably assessed
  - Schemes to be assessed as having modest or low risk assessments in terms of their delivery

- 4.9 Further work is in train to develop the detailed bidding criteria and processes so that this workstream, if approved, can be progressed rapidly.
- 4.10 We are minded not to require schools to go through the full feasibility stage process at the bidding stage and are currently evaluating whether it would be beneficial to have a team drawn from SEN Commissioning / Strategic Planning and Property Services to either undertake an initial review of the bids, or alternatively that the same group works more proactively with schools to assist them in their assessment of the optimal scheme for the school.
- 4.11 Finally in terms of the sub-division of the resources, it is proposed that individual schools are encouraged to review carefully and discuss with local authority officers in advance of their bid submission, any schemes that would require more than £250k of investment.

**Alternative provision:**

- 4.12 We have received feedback from mainstream school leaders that the quality of a preventative offer could be enhanced, that some of our PRS facilities are limited in terms of their suitability to offer a diverse curriculum offer, and some of our provisions are of a scale that introduces a tension between breadth of curriculum offer and financial sustainability. It is considered that a block provision resource would enable the local authority to work with localities to develop proposals to strengthen the quality of the local offer, and to provide the flexibility to respond to the expectations in the Green Paper of developing alternative pathways that reduce the dependency upon specialist provision.
- 4.13 At this stage there are no commitments against this block provision – and no schemes would be progressed without the approval of the SEND Capital Board.

**Personalised Learning Pathways**

- 4.14 The numbers of learners engaged on programmes delivered by the adult learning service has expanded rapidly from circa 80 learners three years ago to around 150 learners in the current financial year. Whilst the service has managed to expand some of its bases - in an ad hoc manner- there are concerns about the suitability and capacity of some bases. Furthermore, increasing numbers of pupils qualifying for EHCPs in future years may increase this pressure further, although this pressure could be mitigated by our commissioning strategy identifying the specific appropriate groups of young people that the service can most effectively support.
- 4.15 In any event, it is considered that a block provision of £750k would provide some flexibility to reconfigure or expand provision in some localities.
- 4.16 At this stage there are no commitments against this block provision – and no schemes would be progressed without the approval of SEND Capital Board.

## **5.0 CONSULTATION UNDERTAKEN AND RESPONSES**

- 5.1 The need to develop additional specialist provision, and in particular the need to develop a range of Targeted Mainstream Provisions, as an integral part of the range of pathways available to meet the needs of young people effectively and locally, were consulted upon extensively with stakeholder groups (including parents and carers) as part of the development of the SEN Strategic Plan.
- 5.2 There has been significant discussion about the two key priorities in terms of gaps in provision with key stakeholder groups including Schools Forum and the Special School headteacher network over a period of two years – without any alternative priorities being identified.
- 5.3 The scenario at Welburn Hall has been the subject of its own specific consultative process in relation to the local authority’s proposal to pause residential provision at the school in the light of the risk of catastrophic failure in relation to the heating and drainage systems at the school. Through the consultation process, there was significant amount of feedback from parents/families, staff associated with the school, and the School Governing Body that they would want the authority to prioritise the quick restoration of residential provision at the school, which would necessitate investment in the major responsive maintenance programme

## **6.0 CONTRIBUTION TO COUNCIL PRIORITIES**

- 6.1 In terms of the key Council priority regarding Every Child having the best possible start in life, the SEN strategic plan (2018) set out the importance of developing a range of provisions and pathways that can be more responsive to the needs of individual young people across North Yorkshire.
- 6.2. By developing new provisions to address the two major shortfalls in our existing range of provisions, we will be ensuring that we have a range of specialist provisions that can ensure the needs of circa 200 young people will in time be more effectively met, supporting them to make excellent progress against the outcomes defined in their EHCPs.

## **7.0 ALTERNATIVE OPTIONS CONSIDERATIONS**

- 7.1 We recognise that there are significant challenges across our special schools in terms of the condition and suitability of our special school buildings. The resources available to the local authority to invest in key maintenance projects have reduced significantly in recent years, so that the local authority only receives circa £6.3 million to undertake projects across over 200 maintained schools (currently 215 mainstream and specialist maintained schools, as at April 2023) complementing the relatively low levels of devolved capital made available to schools.
- 7.2 Whilst we have assessed the possibility of undertaking significant rebuild projects to improve the quality of accommodation at a number of our specialist provisions, we have had to adopt the approach that with the limited capital resources available to the local authority, that we would concentrate on attempting to secure resources for school rebuild projects through the DfE Schools Rebuild Programme (specifically

designed to deliver whole school or significant rebuild projects at schools with significant condition challenges). The exception to this rule of thumb is Welburn Hall – which we deem to be at significant risk of imminent critical buildings failure. All NYCC applications to secure rebuild programmes at our Special schools have unfortunately been unsuccessful – including our application in relation to Welburn Hall. Consequently, the balance of our proposed programme is heavily skewed towards dealing with sufficiency challenges

## **8.0 IMPACT ON OTHER SERVICES/ORGANISATIONS**

- 8.1 The expansion of a number of Special schools, as a consequence of the proposals in this report will require careful planning between the school and local authority SEN team, to ensure that the changes are not disruptive to the school and that all young people can be offered effective support to assist with their integration into their new school. Whilst we would have an expectation that special schools would generally be able to manage relatively small changes in their pupil populations, and ensuring for example that appropriate resources (staffing and otherwise) are available to support them in their new setting, some of this programme will require larger scale transformations
- 8.2 We will also liaise with various Education support service and colleagues within the health sector to ensure that services and support can be geared up to support larger/ changing pupil populations – with sufficient lead-in time where those support arrangements are themselves the subject of commissioning arrangements.

## **9.0 FINANCIAL IMPLICATIONS**

- 9.1 There are a number of aspects to the financial implications of this programme development, and this section considers:
- (a) The resource quantum available to support the programme and any uncertainty associated with that quantum;
  - (b) The potential savings accruing from the development of additional specialist provision capacity, and in particular, how additional capacity may reduce the future pressure to commit additional resources into more expensive independent sector placements;
  - (c) The risks associated with taking forward this programme and some management considerations about the phasing and funding of individual projects

## **RESOURCE QUANTUM**

- 9.2 The resource quantum for the programme is based upon the following assumptions:
- High Needs Provision Capital Allocations (HNPCA) of £9.2 million to date – with currently no assumption built-in of further allocations being made available in 2024/25.
  - School Condition Grant – resources of £4.3 million set aside from financial years 2020/21 and 2021/22 (no further block allocation is assumed, but there is an assumption that up to £3 million will be made available over the course of 2022/23, 2023/24 and 2024/25 towards the cost of Welburn Hall programme)
  - Contribution from the LA High Needs Provision – assumption of £4 million of funding to be made available, which would only be drawn down in the scenario that no further allocations of HNPCA are made available.

- 9.3 These funding streams are discussed in further detail below – but they provide an aggregate resource base of £20.5 million for the programme.
- 9.4 Given that the HNPCA funding allocations extend through the 2022/23, 2023/24 and potentially 2024/25 financial years, then potentially the programme should be regarded as covering that period
- 9.5 In terms of further HNPCA allocations, the DfE allocated £690 million in financial year 2022/23 nationally and a further £750 million in 2023/24. Our understanding from DfE officials is that a similar sized sum has been earmarked for the 2024/25 financial year, although to date there is no confirmation of this figure in Government spending plans. In the 2022/23 and 2023/24 allocation round, North Yorkshire received a figure of £8.468 million (which when expressed in terms of spend per head of population was 61% of the national average figure).

**SAVINGS IMPLICATIONS**

- 9.6 The key premise to the financial analysis is that additional capacity in Special schools and specialist provisions will enable the authority to reduce its longer-term requirements for more expensive placements in the independent sector.
- 9.7 However, constructing this financial analysis requires a number of judgements to be made about future trends across a complex high needs commissioning system – so that:
  - a) the analysis has to be caveated that it is based upon a series of assumptions that are set out in the next section, and;
  - b) because of particular uncertainty over the likely trends in new Education Health and Care Plans, three scenarios are presented, which generate a range of potential savings figures.
- 9.8 The analysis has been constructed over a five year period – principally because any assumptions regarding the operation of the system would have less validity if we extend the analysis beyond five years.
- 9.9 The key assumptions deployed in the financial modelling exercise, and the details behind the three scenarios that have been progressed are detailed in Appendix 2.
- 9.10 The financial modelling deploying the assumptions set out above generates the following range of potential savings figures across the capital investment period

Table 4 :- Summary of financial modelling

	Saving (£Ms)
Scenario 1 :- current trends	22.51
Scenario 2 :- previous trends	14.44
Scenario 3 :- optimistic trends	9.42

Note :- the five year period covers the academic years 23/24, 24/25, 25/26,26/27,27/28.

## **PROGRAMME MANAGEMENT**

9.11 There will need to be very careful scrutiny of the programme to ensure that

- All projects can appropriately be allocated to individual funding streams – for example, the HNPCA grant has the prescription in the grant conditions that it can only be deployed in relation to projects that will expand capacity in specialist provisions
- The costs associated with individual projects are carefully monitored to identify any potential over-commitments within the programme. This will be particularly important with the current level of general inflation and specific uncertainties within the construction industry
- The programme may need to be flexed, either in terms of prioritisation of profiling of spend, if difficulties are encountered with cost over-runs

### **10.0 LEGAL IMPLICATIONS**

10.1 The Council is under a statutory duty to ensure that it keeps education and social care provision under review for children and young people who have special educational needs or a disability. The Council must consider the extent to which the provision is sufficient to meet the educational needs, training needs and social care needs of the children and young people concerned.

### **11.0 EQUALITIES IMPLICATIONS**

11.1 It is anticipated that the programme under discussion within this report will bring significant benefits in terms of improving the accessibility to specialist provision for families of young people with SEMH and Autism needs, and reducing the travelling time required to access provisions. Through developing new provisions, and particularly expanding the range of specialist provisions, there will be a broader range of pathways of support available to families, so that we can more effectively meet the needs of young people and deliver improved outcomes. No adverse impacts have been identified from our initial assessment of the programme.

11.2 The above assessment has been reflected in the Equality Impact Assessment Screening which has been undertaken, and it is proposed that all projects within the programme will be the subject of an individual Equality Impact Assessment.

### **12.0 CLIMATE CHANGE IMPLICATIONS**

12.1 It is proposed that each individual project within the programme will be assessed for Climate Change Implications, given the diverse nature of the projects within the programme.

### **13.0 PERFORMANCE IMPLICATIONS**

13.1 The most critical challenge for the local authority in performance terms is that the programme will assist us in meeting our sufficiency challenge – the table below details that our best estimate is that the programme will deliver an additional 315 places (compared to an estimated requirement of 350 places as discussed in Section 4 of the report).



13.2 However, the computation of 315 places does not assign a specific estimate to the number of places generated by developing additional targeted mainstream provisions – partly because the provisions will support individual young people to follow very different pathways (for example in some instances supporting a pupil to thrive without requiring support of a specialist provision for a longer period of time through to in some instances, enabling a young person to successfully continue their educational journey in a mainstream setting).

Table 5: Capacity increases resulting from proposed programme

Element of programme	Outlay (£000s)	Sep-23	Places Created			Sep-27	Total	Note if no places created
			Sep-24	Sep-25	Sep-26			
Miscellaneous Commitments	1,681							historic investment - places already in baseline
Woodlands Contingency	250							Scheme generates no additional capacity
Selby free school	250							100 places already incorporated for this project
Free school bid contingency	500							additional places accounted for at item 7
Welburn Hall Temp Accom	300							response to the emergency scenario of the House being out of action from Sept 23
Further roll-out of Targeted Mainstream Provisions	2,400							see para 6.3. below
SEMH Free School	0				48	80	120	
Central Secondary Autism provision	3,500		32	80			80	
Springwater	3,100			22	45		45	
Welburn Hall	5,000		10				10	



<b>Sub-Total – EARMARKED RESOURCES</b>	16,481							
PLP Provision	750							to be determined - some work may be required to address existing deficits in provision
Alternative Provision	750							to be determined
Mini-schemes programme	2,000	10	50				60	
<b>TOTAL</b>	<b>20,481</b>	<b>10</b>	<b>92</b>	<b>102</b>	<b>93</b>	<b>80</b>	<b>315</b>	

#### 14.0 RISK MANAGEMENT IMPLICATIONS

14.1 The key risks within the programme identified to date are :-

1. Misalignment of projects/ programme to specific grant programmes and restrictions on the deployment of grant
2. Cost inflation and creep in the specification of projects could result in over-commitment within the programme
3. Delays in delivery of projects resulting in greater financial pressure within the high needs revenue budget
4. Key assumptions regarding future projections of EHCP numbers and key pressure points within the service result in a misalignment of the programme to key areas of demand

14.2 The risks associated with the programming, cost position and profiling of individual projects will be mitigated by the robust monitoring by the internal SEN Capital Board of the profiled spend against all projects and, if necessary, having to defer elements of the discretionary spend programme.

#### 15.0 HUMAN RESOURCES IMPLICATIONS

15.1 The expansion of capacity across our Specialist provision will require the recruitment of additional teaching and non-teaching staff by schools. The funding arrangements for the additional pupils on roll will be in accordance with NYCC High Needs funding arrangements – and staffing decisions will be the responsibility of the individual establishments

#### 16.0 CONCLUSIONS

16.1 As a consequence of our significant challenges in terms of sufficiency of specialist provision, we have developed an SEND Capital programme which is focused on both expanding our overall specialist places, extending the range of targeted mainstream provisions and the availability of suitable local pathways to support young people,

and putting in place specific responses to our two major gaps in provision across the county

16.2. The specific programme that we are seeking approval for is detailed in table 6 below (based upon the discussion in Section 5 of the report)

Table 6 :- Summary of SEND Capital Programme

Project / Allocation Detail	£000s	£000s	£000s
<b>Programmes Already Fully Committed / Approved</b>			
- Previously funded commitments (TMP, etc)	1,681		
- Expansion of Springwater Special School	3,100		
- Temporary Accommodation at Welburn Hall	300	5,081	
<b>Provisions to cover known issues / risks from approved projects</b>			
- Woodlands Academy Schools Rebuild Programme	250		
- Hambleton/Richmondshire Free Special School Highways Works and abnormalities contingency	500		
- Additional Provision for Selby Free School project	250	1,000	
<b>Allocations for Individual Projects - Project detail yet to be approved</b>			
- Further roll-out of Targeted Mainstream Provisions	2,400		
- Central Area Secondary Autism Provision	3,500		
- Welburn Hall – long-term response to buildings failure	5,000	10,900	
<b>Block Allocations :- Prioritisation yet to take place</b>			
- Mini-Schemes Provision	1,500		
- PLP Provision	750		
- Reframing Alternative Provision offer in individual localities	750	3,000	
<b>General Contingency</b>		500	
<b>TOTAL PROGRAMME RESOURCE</b>			20,481

## 17.0 REASONS FOR RECOMMENDATIONS

17.1 As discussed above the programme is designed to address the shortfall the authority has assessed it faces in terms of its sufficiency of specialist provision – but is designed to achieve that in a focused way that enables us to improve the quality and range of provisions available to support young people

17.2 The programme has been designed, reflecting that we have historically had a limited range of provision in comparison to other authorities. There is a recognition that the need for financial sustainability of the high needs budget means that we cannot continuously increase the level of specialist provision capacity in response to increasing demands in the form of increasing numbers of EHCPs. However, in the short-term, unless we can mitigate the

increase in the number of more expensive independent and non-maintained sector placements, then we will restrict the opportunity to create any headroom in the High Needs budget to develop the early intervention and preventative offer necessary to support pupils more effectively.

- 17.3 Also within the programme, we have reflected that there is an imperative to making quick progress in developing additional capacity, and we have attempted to strike a balance between major projects to address strategic gaps in our provision (which by necessity are longer-term projects typically with a three or four year lead-in time) but also developing additional capacity more quickly through more modest scaled projects through the mini-schemes programme

## **18.0 RECOMMENDATION(S)**

- i) The Executive Member approves the SEND Programme, as set out in paragraph 19.2 (noting that some individual schemes will be the subject of separate subsequent approvals)
- ii) The Executive Member notes the risk mitigation plan set out in section 14 of the report
- iii) The Corporate Director – Children and Young People’s Services is authorised to amend the allocations within the programme subject to reporting progress through the CYPS capital programme

Appendix 1 :- Proposed Capital Programme :- Initial Investment Priorities

Appendix 2 :- Financial Modelling :- Key Assumptions and Scenario Details

Appendix 3 :- EIA Screening Form

### **Stuart Carlton**

Corporate Director – **Children and Young People’s Services**

County Hall

Northallerton

05 April 2023

Report Author – Mr Martin Surtees

Presenter of Report – Mr Martin Surtees

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

***PLEASE ALSO NOTE THAT IF ANY REPORTS / APPENDICES INCLUDE SIGNATURES THESE MUST BE REMOVED / DELETED PRIOR TO SENDING REPORTS / APPENDICES TO DEMOCRATIC SERVICES. Appendices should include an Equality Impact Assessment and a Climate Impact Assessment where appropriate***

## **Appendix 1 :- Proposed Capital Programme :- Initial Investment Priorities**

As detailed at paragraph 4.3. Table 3 below provides a schedule of the initial investment priorities, with the notes following the table providing further information regarding the individual schemes / allocations

*Table 3: Initial Investment Priorities*

	£000s	£000s	£000s
<b>1 Definitive Commitments</b>			
Miscellaneous Commitments (*1)	1,681		
Woodlands Contingency (*2)	250		
Selby free school (*3)	250		
Hambleton / Richmondshire Free School (*4)	500		
Welburn Hall Temp Accom (*5)	300		
		2,981	
<b>2 SEN Strategic Plan priorities</b>			
further roll-out of Targeted Mainstream Provisions (*6)	2,400		
		2,400	
<b>3. Key Strategic Priorities</b>			
Central Secondary Autism provision (*7)	3,500		
		3,500	
<b>4 Response to critical placement pressures</b>			
Springwater Special school expansion (*8)	3,100		
		3,100	
<b>5 Risk of critical failure</b>			
Welburn Hall (*9)	5,000		
		5,000	
			16,981

### **Notes**

(\*1) A number of smaller value schemes have been progressed over the last couple of years. The commitments figure has been netted off to take account of the previous central government spending round of Special Purpose Capital fund grant allocations – which amounted to £848k. The largest single area of spend has been in relation to the Targeted Mainstream Provision schemes, which have an aggregate spend to date of circa £1.4 million (with schemes typically costing between £200k and £300k where they have involved new build developments, although some schemes have required much less capital investment where they involved the adaptation of existing facilities)

(\*2) An MOU was signed with DfE for the Woodlands SRP project, in order to enable the scheme to proceed within a reasonable timescale This decision was communicated with the DfE Regional Director in September 2022. However, it was considered prudent to include a resource to protect

ourselves against the risk that the Council incurs costs in relation to Highways and Section 278 works.

(\*3) We have included a provision of £250k against further cost increases in the Selby Free School scheme – again on the grounds of prudence, and only to be called upon in emergency circumstances.

(\*4) In the light of the confirmation that the Free School bid for the SEMH Provision in the Hambleton / Richmondshire area has been successful, a provision of £500k has been assigned for Highways / Section 278 works. This is lower than the costs incurred in relation to the Selby Free School scheme – but our assessment is that because the site has previously been a school site, out liability in this area should potentially be lower.

(\*5) As part of the development of proposals to pause residential accommodation at Welburn Hall, we have secured planning approval to install two temporary classroom units at Welburn Hall on the basis that the programme of reactive maintenance works will proceed and that the House building will be out of circulation for two academic years. The cost of the lease rental of these properties alongside some minor enabling works has been estimated at £300k (as per the commentary in the December 2022 Executive report).

(\*6) As discussed above, the capital outlay associated with individual Targeted Mainstream provisions has varied considerably to date. However, our assessment is that schools potentially interested in participating in the programme, with buildings that require minor modification would already have come forward – and therefore, we have assumed an average capital outlay of £300k per provision for future developments. The programme includes a resource for four TMPs to be progressed across each of the next two years.

(\*7) The working assumption is that this development would cater for a capacity of 80 pupils.

(\*8) This particular scheme involves the creation of an additional 45 places at Springwater school through the conversion of spaces currently being used by other parts of NYCC in 68A High street and Meadowbank buildings. The cost envelope also includes the cost of works required at other properties to facilitate the relocation of NYCC teams in the Harrogate area.

(\*9) This resource would enable the heating and drainage works to be undertaken upon the House building so that the House can be restored to full usage for the beginning of the 25/26 academic year and residential provision reinstated. The feasibility study reporting in January 2023 has identified a range of cost permutations for the works dependent upon the precise specification determined from £3.2 million to £4.1 million. The additional resource within the provision is intended to ensure that we have the full range of accommodation necessary for Welburn Hall to operate with a capacity of 120 pupils in the future.

## Appendix 2 :- Financial Modelling :- Key Assumptions and Scenario Details

The key assumptions that have been deployed within the model are:

- That the percentage of requests for assessment being refused before an assessment is undertaken will be at the national average level from previous years of 11%
- That the number of EHCP assessments undertaken but not resulting in an EHCP in the future will remain around the national average level from previous years of 16%
- That in any year where there is an assessed shortfall between the demand for specialist placements and the capacity within specialist placements, that 70% of those placements can continue to be effectively supported within the mainstream sector (with an assumption that additional support equating to one higher banding will be required) and that 30% of those placements will necessitate an independent sector placement to meet the needs of the individual young person
- That for that cohort requiring independent placements from above, that those placements will on average be of four years duration
- That whilst developing targeted mainstream provisions will be invaluable in providing an additional range of pathways, and will support young people in potentially returning to mainstream provision, or either delaying or mitigating entirely the need for specialist provision for a cohort of young people, it was considered too speculative to build the impact of these provisions into the financial modelling. Therefore, the savings generated will be an underestimate of the savings potential available.
- Model does not incorporate inflationary provisions – either in terms of increased cost of commissioned placements or funding allocations the local authority is responsible for, or increased High Needs Dedicated Schools Grant allocations – so there is an effective assumption that income and expenditure inflation will remain in equilibrium
- Given the significant volatility that has been experienced in 2022, when 979 requests for EHCP assessments were submitted to the local authority, after a number of years with a relatively stable trend of circa 700 assessments per annum, we have included three scenarios for future numbers of EHCP assessments

The following specific scenarios have been investigated:-

Scenario 1 :- High ongoing assessment levels – assumed at 900 requests per annum for future years

Scenario 2 :- previous trends :- assumed at 700 requests per annum for future years

Scenario 3 :- optimistic trend :- assumed systems-wide review (potentially facilitated by the Delivering Better Value programme) can reduce requests for assessment to 550 requests per annum for future years

### Appendix 3 :- EIA Screening Form

<p><b>Initial equality impact assessment screening form</b></p> <p>This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.</p>	
<b>Directorate</b>	Children and Young People's Services
<b>Service area</b>	Inclusion Services
<b>Proposal being screened</b>	Special Educational Needs (SEND) Capital Programme
<b>Officer(s) carrying out screening</b>	Martin Surtees
<b>What are you proposing to do?</b>	Implement a broad programme of capital investment (circa £20.5 million to address shortcomings in our specialist provision across the County, and to specifically expand our specialist provision capacity by 315 places (with projects taking between 1 and 5 years to come into operation)
<b>Why are you proposing this? What are the desired outcomes?</b>	To ensure that young people have access to a wider range of specialist provisions so that more young people have access to provisions meeting their specific needs (particularly young people with SEMH needs and Autism needs). In addition, the development of this additional capacity (particularly the roll-out of further targeted mainstream provisions) should ensure that more young people access provisions in their neighbouring localities
<b>Does the proposal involve a significant commitment or removal of resources? Please give details.</b>	Investment programme of £20.5 million.
<p><b>Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYCC's additional agreed characteristics</b></p> <p>As part of this assessment, please consider the following questions:</p> <ul style="list-style-type: none"> <li>• To what extent is this service used by particular groups of people with protected characteristics?</li> <li>• Does the proposal relate to functions that previous consultation has identified as important?</li> <li>• Do different groups have different needs or experiences in the area the proposal relates to?</li> </ul> <p>If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your <a href="#">Equality rep</a> for advice if you are in any doubt.</p>	



Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		NO	
Disability		NO	
Sex		NO	
Race		NO	
Sexual orientation		NO	
Gender reassignment		NO	
Religion or belief		NO	
Pregnancy or maternity			
Marriage or civil partnership			
People in rural areas		NO	
People on a low income		NO	
Carer (unpaid family or friend)		NO	
<b>Does the proposal relate to an area where there are known inequalities/probable impacts (e.g. disabled people's access to public transport)? Please give details.</b>	We currently have concerns that families of young people with significant SEMH needs living in the Hambleton / Richmondshire area can only have their needs met by travelling significant distances to access provision. The development of an SEMH school in this area should mitigate this inequality		
<b>Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.</b>	We will work closely with partners to ensure that their service offers reach into the new provisions that we are seeking to develop (particularly in relation to Inclusion Support Services, and school medical support)		
<b>Decision (Please tick one option)</b>	EIA not relevant or proportionate:	Yes	Continue to full EIA:
<b>Reason for decision</b>	We will undertake individual Equality Impact Assessments for the individual projects within the programme		
<b>Signed (Assistant Director or equivalent)</b>			
<b>Date</b>			

