

SURREY COUNTY COUNCIL**CABINET****DATE: 24 SEPTEMBER 2019****REPORT OF: MR MEL FEW, CABINET MEMBER FOR FINANCE****LEAD OFFICER: LEIGH WHITEHOUSE, EXECUTIVE DIRECTOR RESOURCES****SUBJECT: CAPITAL STRATEGY FOR SPECIALIST SCHOOL PLACEMENTS****SUMMARY OF ISSUE:**

This paper sets out the current position with regard to the SEND capital programme, and recommends approval to progress with specific capital projects over a 4 year period from 2019/20 to 2022/23. Further work is underway to assess the needs for the service over a 10 year period.

The school place planning strategy for specialist placements identifies a need to provide for the growing number of children who will enter the service and require specialist services. There is therefore an urgent need for places over the next 10 years. In accordance with this strategy we need to plan for and create and maintain the right number and type of Surrey specialist placements to meet future demand and help ensure that children are placed appropriately with easy access to their homes and reduce the dependence on out of county facilities.

Capital funding is required to deliver the SEND infrastructure programme to satisfy this need.

This paper is linked to the "School place planning strategy for specialist placements" paper which is also due to be considered by Cabinet on 24 September 2019.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. Approve as part of the overall SEND capital programme a number of named projects at an estimated capital cost of £3.2m, for delivery from 2019/20. These projects are as identified in Annex 1, providing 77 bulge and 21 permanent places.
2. Agree to the development of projects as part of the overall SEND capital programme a number of "named" projects at an estimated capital cost of £28.9m, for delivery from 2019/20 over the next four years. These projects are as identified in Annex 1, and will provide 303 permanent places.
3. Note projects as part of the overall SEND capital programme that do not require any further approval within this paper, including £1.1m capital budget previously approved for the Worplesdon specialist centre. These projects are as identified in Annex 1, providing 482 permanent places.
4. Approval of £1m to support the delivery of the immediate identified school place planning and the long term requirements.

REASON FOR RECOMMENDATIONS:

Approval of the recommendations form a key part and will assist the Council in delivering the school place planning strategy for specialist placements.

Developing and maintaining the right SEND provision is an important part of ensuring a sustainable specialist estate to provide fit for purpose facilities for Surrey children and young people who require a specialist placement and cost effective solutions for high quality provision to support revenue savings within SCC. Grant capital funding of £10M is available from the DfE, to progress this capital strategy providing children and young people with increased positive opportunities for improved outcomes whilst attending an appropriate SEND provision.

The recommendations will enable the progression and delivery of the school place planning strategy for specialist placements ten-year plan. Children, Families, Lifelong Learning and Culture (CFLC) are seeking to provide 883 specialist places (including 77 'bulge' places) over the next four years and within the next 10 years deliver a broader plan which will be developed subject to need.

The school place planning strategy for specialist placements will be reviewed annually.

DETAILS:

The context

1. The size and location of the County Council current SEND estate has not kept up with the growing demand for places in appropriate locations, leading to long waiting lists and an increasing number and proportion of children being placed in non-maintained independent (NMI) provision within and out of County.
2. This paper sets out a proposed approach to the capital programme for developing and maintaining sufficient specialist placements across the county. It is presented within the context of the school place planning strategy for specialist placements, and includes early years and post 16, but excludes further education places.
3. Alongside identified capital projects for completion in the next four years, an overall 10-year SEND capital programme is included within the paper, naming identified projects and outlining future capital proposals to ensure that the capital programme remains in line with the overall specialist places strategy.
4. The capital programme, whilst focused on developing SEND placements, will also consider condition and suitability of the existing estate, to ensure that each project within the programme considers the options available seeking to maximise the value and benefits achieved.
5. This capital programme will assist the delivery of the school place planning strategy for specialist placements, as part of the 'improving our local offer' workstream, in achieving financial sustainability, creating school places for children with SEND and improving their outcomes. It also seeks to address the inefficiencies, condition and suitability issues which exist within the SEND estate as part of improving the schools estate within Surrey.

The current offer

6. The County Council currently has 24 special schools and 49 specialist units within mainstream schools, which in 2018/19 provided 3,091 places. These are a mixture of maintained schools and academies. Specialist provision is given a designation based on the types of needs for which it caters. The six main designations currently used are: Learning and additional needs (LAN), Communication and interaction needs (COIN), Complex social and communication needs (CSCN), Severe learning difficulty and disability (SLDD), Social emotional and mental health needs (SEMH) and Hearing and visual impairment (HI/VI).
7. Table 1 below summarises the current specialist offer in the school year 2018/19, split by education phase and designation. This includes special schools and specialist units attached to mainstream schools.

Table 1: Surrey specialist SEND places for the school year 2018-19

Type of school	Primary (up to year 6)	Secondary (year 7+)	Total
LAN	306	687	992
SLDD	434	298	732
COIN	305	310	615
CSCN	247	177	424
SEMH	70	160	230
HI/VI	52	46	98
Total	1412	1679	3091

Future demand

8. The school place planning strategy for specialist placements report to Cabinet provides detailed need and place provision for the first four years.

Developing the SEND capital programme, alongside CFLC.

9. In working with the service, where gaps in provision are identified, an evaluation will be undertaken by the service and technical professionals to determine the most effective method of removing these gaps, where appropriate developing new or adapting existing Surrey specialist provision.
10. Whilst there are projects already identified for delivery within the four years from 2019 to 2023, further opportunities will be explored and progressed, developing ideas and concepts identified across the schools estate in Surrey, for delivery within the next 10 years from 2020/21.
11. These opportunities will be assessed both in terms of service requirements and technical review, with a gateway process in place to enable the further capital development of appropriate selected opportunities. In this way allowing an investment decision based on viability, affordability, initial technical feasibility, fit with service needs identified in the universal place planning strategy for specialist placements.

SEND capital programme

12. The SEND capital programme is developed to provide the 883 additional places identified within projections for additional required SEND places in Surrey and work is continuing to establish the needs over the next 10 years.
13. The immediate capital programme includes identified projects for delivery in the next four years from 2019/20. This provides 883 additional places, of which 806 are permanent places and are 77 temporary one year bulge classes.
14. Of these places, initial projects identified within the existing estate to provide the 77 bulge places and 21 permanent places at an approximate cost of **£3.2m** are identified in annex 1. The recommendation to provide these places additional places at these sites was made with reference to the following key achievable principles;
 - The additional places meet the forecast demand patterns.
 - Elements of existing school accommodation can be used thereby reducing capital cost
 - Offer can be in place and accessible early within the capital programme
 - Where possible additional placements meet the expression of parental preference
 - The placement of pupils will ensure a year on year revenue saving against similar Non-Maintained Independent Placements
 - Additional places are close to home
15. Further named projects, including a new all-through SEND school in the west of the County, providing a further 303 permanent places in total, at an indicative capital cost of **£25.6m**. These named projects, identified in annex 1, require development to allow recommendation for approval, require a project viability capital budget allocation of **£0.5m** will enable to develop these projects to the end of RIBA Stage 3.
16. A further 482 permanent places are being provided by way of two new DfE Free Schools). New specialist placements do not always require additional capital. On an annual basis SCC Children's Services discuss with schools the possibility of adding additional places within their existing estate.
17. Between 2018/19 and 2019/20, an additional 131 places have been made available with no recourse to additional capital. The remaining 21 permanent places are provided by way of a specialist centre. Annex 1 provides further detail.
18. Further permanent SEND places are to be identified in line with the strategy and programmed for delivery over the next 10 years from 2020/21.
19. This requirement will be regularly reviewed with the SEND strategy. It will be provided through a combination of a new special school; extension and / or remodelling of existing special schools and mainstream provision; and through consideration of options available via the school place planning strategy for specialist placements. A project viability capital budget allocation of **£0.5M** will enable the development of these projects.
20. The National School Delivery Cost Benchmarking, Primary, Secondary and SEN Schools, June 2019, has been referenced to identify the cost per SEND pupil.

Table 2: summary of SEND capital requirements

Item description	Capital required
Named projects seeking approval - see annex 1	£3,174,000
Project viability budget	£1,000,000
Total approval required	£4,174,000
Named projects requiring development and delivery over the next four years – see annex 1	£25,573,690
Worplesdon specialist centre, previously approved	£1,100,000
Total	£30,847,690

The anticipated spend profile over future years is provided in Annex 2.

CONSULTATION:

21. The approach to development of the Surrey SEND strategy was subject to full consultation that was considered by the Council's Cabinet on 29 January 2019. Consultees included schools, parents, pupils, local districts and boroughs.
22. The Council has undertaken engagement activities with schools during the summer term developing the place strategy. All phases of schools have been included within this process including, maintained and academy primary, secondary and special schools. Comments received from this programme have been used in the development of this strategy.

RISK MANAGEMENT AND IMPLICATIONS:

23. Current forecasts of demand for pupils with an Education Health and Care Plans (EHCP) can be inaccurate and that there is therefore an under or over supply of specialist places with consequent capital and revenue implications for the Council. To mitigate this the Council has invested in high quality forecasting tools and continually reviews and assess forecasts in relation to outcomes.
24. Specific risks associated with individual projects that relate to statutory process including prescribed alterations and planning that could mean that specific projects cannot be continued. Each project will be subject to detailed consideration by officers prior to submission to Cabinet or Cabinet member for approval where appropriate. Officers can review individual projects and bring forward alternative proposals for consideration in line with SEND strategy and overall demand profiles.
25. Risks associated with building projects. Therefore, a risk register will be compiled and regularly updated. It must be noted that the ability to deliver the new SEND School to the West of County by the due date of September 2021 is a significant risk., due complexities associated with design, procurement, land availability, and construction duration. A contingency allowance appropriate to the schemes will be included within the project budget to mitigate for potential identified risks.

Finance and value for money implications:
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26. The strategy to increase the proportion of pupils within maintained specialist provision against the proportion of those within non-maintained independent provision has a revenue benefit for the Council. Additionally, the SEND strategy to reduce the overall number of EHCPs due in part to more efficient early identification and support has further revenue savings for the high needs block.
27. The strategy identifies increases in maintained provision, that have capital cost as outlined. A sustainable specialist estate will be developed to provide fit for purpose facilities for Surrey children and young people who require a specialist placement, providing cost effective solutions to support revenue savings within SCC. Grant capital funding of £10M is available, to progress this capital strategy. Each individual project will be subject to specific approval of Cabinet or cabinet member to ensure that value for money is achieved. Additionally each project will be subject to robust cost challenge and scrutiny to drive optimum value as it progresses.

Section 151 officer commentary:
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28. The Council is facing a very serious financial situation, whereby there are substantial savings which need to be achieved to establish a balanced budget on the High Needs Block of the Dedicated Schools Grant. As such, the Section 151 Officer supports the initiative to reduce reliance upon non maintained independent schools and colleges through the creation of additional places in local authority maintained schools and academies.
29. The Section 151 Officer confirms that the proposed £4.2m increase to the capital programme is funded by Government grant and has the support of the Capital Programme Panel.
30. The Section 151 Officer supports progression of the three other schemes detailed in Annex 1, likely to cost £25.6m; and the progression of further schemes to deliver additional places as required. Once further feasibilities and details are available these schemes will need to go to Capital Programme Panel prior to going to Cabinet for approval.

Legal implications – monitoring officer:

31. Section 13 of the Education Act, 1996 places a duty on a Local Authority (with responsibility to education) to ensure sufficient primary and secondary education provision is available to meet the needs of the population in its area including pupils with additional Special Educational Needs.
32. There is a statutory requirement for consultation as set out in the School Organisation (Prescribed Alterations to Maintained School) Regulations 2013 for a number of projects identified within the strategy. Such consultation will need to involve those directly affected by such changes together with relevant representative groups.
33. The Council's duties under the Education Act must be balanced against the fiduciary duty that the Council owes to its residents. As such, there is a requirement to act having regard to both the short and long term consequences of any decision.

Equalities and diversity:

34. The SEND strategy was subject to a full EIA published on 21 January 2019.
35. The strategy focuses on inclusion and ensuring that children with SEND can get a good education at a school close to their home. The aim of the strategy is to make sure that every child growing up in Surrey has the best possible start in life so that children and young people with special educational needs and disabilities are able to live, learn and grow up locally.
36. We also need to ensure that this provision is cost-effective, fair across the range of children and young people's differing needs and sufficient when taking into account predicted future rising levels of need.

OTHER IMPLICATIONS:

37. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

CORPORATE PARENTING/LOOKED AFTER CHILDREN IMPLICATIONS

38. This strategy would provide for the opportunity to bring forward proposals to increase provision for maintained education places for pupils with an EHCP in Surrey. It is likely therefore that these places would be closer to home and reduce the incidence of pupils, including LAC pupils, from being placed outside of the Council area. This would be of benefit for some of our most vulnerable children.

SAFEGUARDING RESPONSIBILITIES FOR VULNERABLE CHILDREN IMPLICATIONS

39. The council has a duty to promote and improve educational outcomes for all children, particularly those who are vulnerable or disadvantaged. The strategy aims to allow for increased maintained provision closer to home for pupils with an EHCP and furthermore reduce the possibility of pupils with an EHCP not accessing appropriate education.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

40. The provision of education places closer to home should reduce the average distance for travel for pupils with an EHCP and further reduce unnecessary journeys where relevant when set alongside the Councils SEND Transport Transformation programme.
41. Design philosophy that has been adopted to create new or refurbish and extend existing buildings will support low energy consumption, reduce solar gain and promote natural ventilation. Any proposals will be in line with this policy and any new building will be to the standards in the local planning authority's adopted core planning strategy.

WHAT HAPPENS NEXT

Approval, by Cabinet, of the place planning strategy and allied capital programme will allow for individual projects to be developed and come forward for specific approval by Cabinet or cabinet member where appropriate.

Contact officer: Peter Hopkins | Lead Asset Strategy Manager

Consulted: schools, settings and colleges parents, pupils, local districts/ boroughs

Annexes:

annex 1; Capital SEND projects over next 4 years

annex 2; Spend profile

Sources / background papers:

School place planning strategy for specialist placements, report to Cabinet 24th September 2019.

National School Delivery Cost Benchmarking Primary, Secondary & SEN Schools,
A national cost benchmarking study undertaken by Hampshire County Council in conjunction with East Riding of Yorkshire Council and the Department for Education. June 2019.