

SURREY COUNTY COUNCIL**CABINET****DATE: 26 MAY 2020****REPORT OF: MRS JULIE ILES, CABINET MEMBER FOR ALL-AGE LEARNING****LEAD OFFICER: MR DAVE HILL, EXECUTIVE DIRECTOR FOR CHILDREN, FAMILIES AND LEARNING****SUBJECT: PUPIL REFERRAL UNIT (PRU) CAPITAL STRATEGY****SUMMARY OF ISSUE:**

We are ambitious for all children in Surrey and are developing a holistic strategy for alternative provision of education that meets the needs of some of our most vulnerable children and young people. The suitability and condition of existing Pupil Referral Unit (PRU) accommodation within Surrey does not support this ambition or allow Surrey County Council to effectively meet its statutory duty to ensure all children of statutory school age receive suitable education. The current PRU accommodation lacks capacity to provide adequate places in appropriate locations, is of a dilapidated condition and lacks facilities and space to provide a suitable learning environment for some of our most vulnerable learners.

This proposal seeks to secure the funding needed to test out site options and to develop a business case that will renew the PRU estate, in a phased programme, over the next ten years.

RECOMMENDATIONS:

It is recommended that:

1. Cabinet agrees the approach set out in this report to provide appropriate PRU provision that adheres to the statutory requirements and accommodation guidelines for alternative provision to support our ambition for children and young people.
2. Approval of £1m to support the relocation of the Pewley Hill PRU as set out in this report.
3. Approval of £1m to carry out a feasibility study for long term accommodation requirements and inform a business case to be considered at Cabinet in the Autumn 2020.

REASON FOR RECOMMENDATIONS:

The existing PRU estate is not fit for purpose and does not meet the needs of our most vulnerable learners. The recommendations seek to ensure that the PRU settings meet the minimum Department for Education space standards, are informed by national guidance on alternative provision and are suitably located within communities to appropriately meet the needs of our vulnerable learners.

The recommendations will ensure urgent relocation of the Pewley Hill provision in the short term, (mitigating the poor condition of the current estate on the site), inform a business case to ensure that there are appropriate educational facilities in the long term, and address the wide range of pupil needs and flexibility required to manage fluctuations in pupil numbers throughout the year - including early intervention programmes to reduce exclusions.

DETAILS:

Introduction

1. Surrey County Council has a statutory duty, under section 19(1) of the Education Act 1996, to arrange suitable education for children of statutory school age who, due to illness, exclusion or otherwise, would not receive suitable education without such arrangements being made. Pupil Referral Units (PRUs) established and maintained by the local authority enable this duty to be discharged. Further to this, PRUs must adhere to 'The Schools Premises (England) Regulations 2012', prescribed under the Education Act 1996.
2. Existing PRU provision within Surrey is made up of eight providers (across Primary and Secondary phase and including hospital-based provision) delivered across 14 different sites within Surrey. All providers are rated Good or Outstanding as at March 2020.
3. The Pupil Referral Unit estate in Surrey is no longer fit for purpose and does not meet the Department for Education minimum standards or best practice guidance for alternative provision. In addition to the lack of appropriate indoor and outdoor space, the building condition of the majority of PRUs is poor.
4. This capital strategy underpins the development of a revised delivery model for the education provision for pupils attending PRUs, enabling the Local Authority to meet the current need and projected future demand of some of our most vulnerable learners.

Drivers for Change

5. The cohort of pupils attending PRUs are some of Surrey's most vulnerable learners; in the main they are pupils who have been permanently excluded from school and increasingly those with Social, Emotional and Mental Health (SEMH) needs and who require an alternative setting to mainstream school. These vulnerable children require an atmosphere and ethos which fosters a positive association with education in order that they are offered equal opportunities to achieve their potential and make a successful transition to adulthood. Pupils are more likely to make greater personal, social and academic progress if welcomed into an educational environment that is suitable to meet their needs.
6. Our focus is on enabling children to remain within their school or, where that is not possible or appropriate, to be educated in an alternative provision close to home. The core principles of Surrey's strategy are based on effective early intervention, flexible and inclusive outreach and supporting timely transition back to mainstream education for those that have required short-term programmes of respite and

support. This is a whole system approach based on assessment of need, of which the PRUs fulfil a valuable role.

7. Our ambitions are to ensure:
 - The right children are placed in alternative provision;
 - Every child in alternative provision receives a good education;
 - Every child can make a successful transition out of alternative provision;
 - Alternative provision becomes, and is recognised as, an integral part of the education system
 - Achieves high quality outcomes for children and young people.
8. Although rooted in the delivery of the Local Authority's statutory duty to provide education for those who have been permanently excluded, PRUs also contribute to the development and implementation of inclusive practice within schools and in the delivery of outreach services. The key objective is to prevent instances of permanent exclusion by promoting and enabling partnership working between alternative education providers, schools and community settings. Supporting skills development and promoting equity, accountability and clear application of thresholds will be central to this, in keeping with our levels of need approach.
9. PRU settings need to be capable of accommodating a wide range of pupil needs in order to support all the vulnerable learners attending. Pupil numbers tend to fluctuate throughout the year and this emphasises the need for flexible accommodation that facilitates effective year-round pupil transition, e.g. providing a separate area for assessments.
10. Our vision is informed by the Department for Education's report 'Creating opportunity for all: Our vision for alternative provision' (March 2018) that drives the need not only to change the PRU properties but equally to lay strong foundations for reform by:
 - building effective practice across our PRUs and wider alternative provision
 - reviewing exclusions practice and providing early support in schools through outreach and skill development
 - bringing key partners together to build an agreed vision for change
 - establishing systems to manage poor behaviour and support children with additional needs
 - ensuring those who return from alternative provision to mainstream or special school placements are appropriately supported.

Delivery Mode

11. The proposal is to replace the dilapidated and inappropriate estate with new, fit for purpose PRUs. The planning assumption is that the total number of places currently provided is sufficient when considered in the context of current demand, exclusion

and population trends and analysis and the potential impact of a more effective outreach and preventative approach. This is on the basis that:

- A fit for purpose estate would provide improved flexibility of space including outdoor provision to meet the needs of learners more effectively
 - That more learners can be supported through blended packages of support, including short programmes of support on site or in their school
 - That the majority of primary school learners' needs can be met with support in school or by utilising local community settings including, family centres with specialist outreach support.
 - The needs for children and young people with significant social emotional and mental health needs are met through early identification and support with appropriate specialist provision commissioned where appropriate.
 - Settings will be designed to cater for a range of needs
12. The sufficiency of places will be refined through consultation and analysis and fed into the 10-year strategy and inform the business case development.
13. The delivery model also considers the co-location of Primary and Secondary phase PRU provision. This would provide the opportunity to benefit from enhanced leadership and utilise economies of staffing to offer more specialised subject knowledge. This model will not only help to contribute to pupils' increased engagement and progress but will also lend itself to creating financially sustainable provision which delivers high quality education to vulnerable learners.
14. The County Council appointed *Aecom* to undertake an assessment of all PRU sites against the Asset Management Planning criteria of condition, capacity and suitability. The results concluded that the current PRU estate is in a dilapidated condition, that the PRU sites are not large enough to meet minimum DfE standards in BB104 and that no PRU site was able to offer a broad curriculum due to lack of specialist spaces, especially for sport.
15. Phase 1 of the PRU Capital Strategy is to temporarily move the Wey Valley College Primary phase provision from its current site at Pewley Hill to the Southway site through the addition of some temporary accommodation. The condition survey at Pewley Hill showed there was at least £690,000 of urgent remedial works required to a site that is not large enough for the current cohort and has no soft play or sports accommodation. There is £1m in the approved capital programme for 2021 to accommodate this and the proposed scheme is currently being considered by Town Planners.
16. The Capital Strategy will take up to ten years to deliver and will be subject to a programme business case being developed for approval.

CONSULTATION:

17. PRU, Special Education Needs & Disabilities (SEND) and mainstream Head Teachers attended workshops in July 2019 held in each quadrant to consider the design principles and approach to develop the SEND and PRU Capital Strategy. Their guidance has informed the PRU design brief and this Capital Strategy.

18. Consultation with parents/carers will be undertaken in conjunction with each phase of delivery. This will focus on the impact of relocation of provision from current sites, where appropriate, both in terms of location and size, on learners and their parents/carers.

RISK MANAGEMENT AND IMPLICATIONS:

19. Risks will be varied and not only associated with land and asset management but also the impact this has on the educational effectiveness of PRU provision. It is therefore essential that interdependencies are identified in order to achieve the delivery of a successful PRU model.
20. Further consultation is required to understand better the educational impact of the proposed delivery model. This will consider the impact of fewer delivery sites and larger capacity per site on factors such as staffing, learner support and management. Outcomes will inform the establishment of robust Service Level Agreements with PRU providers.
21. A significant revision to the PRU estate will likely result in a noticeable level of short-term disruption to service provision and destabilisation. The proposed level of change will result in a phase of transition as a result of the merging and rationalisation of services. The impact this may have on not only the welfare of the pupils but also the staff must be captured and where possible mitigated in order to ensure vulnerable learners continue to receive high quality education throughout. The direct impact this change could have on staff and further indirect impacts this could have on the provision should not be underestimated. The implementation of a clear and transparent communication strategy at the earliest opportunity will ensure pupils, families and staff understand the rationale for change.
22. Specific risks associated with individual projects that relate to statutory processes including prescribed alterations and planning could mean that specific projects cannot be continued. Each project will be subject to detailed consideration by officers and alternative proposals brought forward for consideration where necessary.
23. Risks associated with building projects will be captured within a risk register and regularly updated and managed by the Land & Property team.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

24. The PRU Capital Strategy aims to facilitate Surrey County Council's goal to transform the way in which PRUs, largely resource intensive and high-cost services, can deliver a financially sustainable offer to meet current and future demand. This will be achieved through consultation with partners to ensure efficient utilisation of resources, identification of opportunities to benefit from economies of scale, where appropriate, and an emphasis on prevention and intervention.
25. The current funding mechanism for PRUs must also be considered when looking to ensure provision is financially sustainable. Funded places do not necessarily reflect

physical capacity. This is exacerbated by the inefficiencies of the estate being comprised of a large number of small sites.

26. Within the approved Capital programme there is £0.8m already allocated to PRUs which will be used for the works on Pewley Hill, a further £0.2m will then be required to be drawn down from the pipeline budget. An additional £22.5m is notionally allocated as part of the pipeline budget. There is therefore a total of £23.5m Capital funding available for these works.
27. Feasibility studies can only be capitalised if they are directly attributable to the final design which is implemented. It should therefore be noted that whilst the £1m will initially be funded from the Capital programme, any design works on options which are not constructed will need to be written back to revenue.
28. At present there are no revenue efficiencies or pressures directly linked to this PRU strategy. As plans develop further these will be incorporated within relevant revenue budgets.

SECTION 151 OFFICER COMMENTARY

29. Although significant progress has been made over the last twelve months to improve the Council's financial position, the medium term financial outlook is uncertain as it is heavily dependent on decisions made by Central Government. With no clarity on these beyond 2020/21, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term. As such, the Section 151 Officer supports the progress of the PRU Capital Strategy to further develop the benefits that can be derived from the £23.5m allocated within the capital programme.

LEGAL IMPLICATIONS – MONITORING OFFICER

30. The Council is empowered by section 120 of the Local Government Act 1972 to acquire land for the purpose of any of its functions and under Section 123 of the Local Government Act 1972, the Council has the power to dispose of land in any manner it sees fit, subject to the disposal being for the best consideration reasonably obtainable. However, as this Strategy relates to Education/school land, any disposal of existing sites will need specific consent from the Secretary of State.
31. As detailed plans are formulated, the necessary consultation and Equality Impact Assessment will need to be completed.

EQUALITIES AND DIVERSITY

32. PRUs provide education for some of Surrey's most vulnerable learners at both Primary and Secondary age. A notable proportion of the cohort have SEND.
33. This strategy aims to ensure some of Surrey's most vulnerable pupils who are in PRUs are educated within safe environments that deliver an atmosphere and ethos

which foster a positive association with education and support a return to mainstream school.

SAFEGUARDING RESPONSIBILITIES FOR VULNERABLE CHILDREN AND ADULTS IMPLICATIONS

34. The council has a duty to promote and improve educational outcomes for all children, particularly those who are vulnerable or disadvantaged. This strategy aims to ensure some of Surrey's most vulnerable pupils are educated within safe environments that deliver an atmosphere and ethos which foster a positive association with education. Pupils are more likely to make greater personal, social and academic progress if welcomed into a more appropriate educational environment.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

35. An initial Environmental Sustainability Assessment (ESA) has been undertaken (annex 2) as this matter requires a Cabinet decision and the primary subject matter is a strategic plan in Children, Families, Lifelong Learning and Culture.
36. The key points from the ESA are:
- a. Sites are not yet identified. When sites are identified an updated ESA will be made.
 - b. Energy use would be a component of the operational phase costs of the new buildings. Design philosophy that has been adopted to create new 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 expected standards in the local planning authority's adopted core planning strategy.
 - c. Delivery of new builds will involve the usual amounts of travelling for materials and workers. Through the design and procurement phase an updated ESA will be undertaken.

WHAT HAPPENS NEXT:

37. The approval by Cabinet of the PRU Capital Strategy will allow Land and Property to develop a programme capital business case to deliver the renewed PRU estate over the next ten years. A report will come back to Cabinet for approval of each detailed business case.
38. A review of the revenue funding for PRU provision will be undertaken concurrently and agreed through Schools Forum. The funding source is the Dedicated Schools Grant.

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Consulted: PRU Head Teachers, School Phase representatives

Annexes:

Annex 1 Equality Impact Assessment

Annex 2 Environmental Sustainability Assessment

Sources/background papers:

Creating opportunity for all: Our vision for alternative provision (Department for Education), March 2018

Alternative Provision: Statutory guidance for local authorities (Department for Education), January 2013

Advice on standards for school premises (Department for Education), March 2015

Area guidelines for SEND and alternative provision (Department for Education), December 2015

Surrey School SEND Programme: Stage 1 Summary Document (Aecom), May 2019

Surrey Schools Pupils Referral Units: Design Brief – DRAFT for discussion only (Aecom), June 2019
