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## **Special Educational Needs & Disability (SEND) ‘Living My Best Life’, Capital Programme in Derby Phase 1a**

### **Purpose**

- 1.1 In July 2022 Council Cabinet approved proposed use of Special Educational Needs and Disabilities (SEND) Capital Funding to create further places at Ivy House and Kingsmead Special Schools at phase 1.

The purpose of this report is to seek the agreement of Cabinet to progress with phase 1a; namely the expansion and remodelling of St Clare’s Special School. This is one of the proposals based on the consultation which closed on 12 January 2022 for which 223 responses were received. The responses were overwhelmingly in support of the Derby proposals presented in this report and supported by the Equality Impact Assessment (EIA). Alongside this, is a proposal to develop a hub and spoke model of service delivery where learners will be on a special school role (accessing the skills in this area) whilst being taught within mainstream settings

- 1.2 The SEND capital programme is designed to increase places in specialist provision in Derby and build capacity at the early intervention or graduated response in mainstream schools: it is essential that both elements are developed concurrently. The key design principles of the SEND capital programme are as follows:

- To strengthen the graduated response through the development of Inclusion Hubs in mainstream schools.
- To increase the number of placements in Enhanced Resource Units across the city.
- To expand existing specialist school provision.
- To build additional specialist provision if required.

- 1.3 The proposals outlined in this report are to follow from phase 1 of the programme following receipt of the feasibility study for the remodelling of St Clare’s special school. These key proposals in this phased approach are based on the priority to secure Derby children and young people with SEND a specialist place to match the need in a Derby school. It is forecast that Phase 1a will ensure additional provision is available within the City by September 2024 and consists of the following elements:

### **Phase 1a September 2022- September 2024 Secondary Provision**

- Expansion and re-modeling for specialist level of need across the four categories of SEND to provide a further 35 places for September 2024. This will raise the number of places at St Clare's school to 180 places in total post capital investment.
- Additional 20 specialist placements housed in mainstream schools to increase capacity in year. The learners will be on special school roll under a Hub and Spoke -model. The capital costs are estimated at £0.5m and subject to feasibility.

### **Phase 1a September 2022- September 2024 Primary Provision**

- Additional 10 specialist placements housed in a mainstream school to increase capacity in year. The learners will be on special school roll under a Hub and Spoke model. The capital costs are estimated at £0.250m and subject to feasibility.

- 1.4 The report also proposes an initial capital allocation of £0.250m to support the SEND strategy's focus on the implementation of Inclusion Hubs across primary and secondary settings; expenditure will be governed by the development of costed project plans with Multi-Academy Trusts and schools that are working with the Local Authority on provision of specialist provision within mainstream settings.

This development in this area is now urgent in order to have Inclusion Hubs operating across the city from September 2023.

### **Recommendation(s)**

- 2.1 To note and approve the proposals to develop additional capacity within the City in both specialist and mainstream settings (Phase 1a)
- 2.2 Subject to approval of recommendation 2.1 to approve:
- (a) the development and refurbishment of St Clare's Special School to provide 35 additional places by September 2024;
  - (b) the implementation of a hub and spoke model providing 30 places in secondary and primary settings linking specialist setting expertise with learners remaining within mainstream settings by September 2024; and
  - (c) the provision of inclusion hubs in mainstream settings by September 2023.

- 2.3 To note that delivery of Phase 1a will be monitoring through the PMO gateway process.
- 2.4 To delegate authority to the Director of Legal, Procurement and Democratic Services following consultation with the Strategic Director of People Services to enter into all necessary grant agreements and ancillary documentation to deliver Phase 1a.
- 2.5 To approve the amendment of the approved 2022/2023-2024/25 capital programme and approve scheme commencement for the scheme outlined in Appendix 1 and any necessary contingencies within the approved SEND Capital Scheme.

### **Reason(s)**

- 3.1 In accordance with Financial Procedure Rules, this amendment to the Council's capital programme, and the award of the grant, are required to be reported and approved by Cabinet.

### **Supporting Information**

- 4.1 The Council and Local Area has a Special Educational Needs and Disabilities (SEND) Strategy and Vision 'Living My Best Life'. Through co-production with our partners, we are improving the lives of children and young people (CYP), 0-25 and their families with SEND in Derby. The strategy and vision were approved by Council Cabinet in November 2020.
- 4.2 In September 2021 Council Cabinet approved the consultation on the proposed use of Special Educational Needs and Disabilities (SEND) Capital Funding. The phase 1 of the programme was approved in July 2022.

The purpose of this report is to seek the agreement of Cabinet to progress with phase 1a of the expansion and remodelling of St Clare's Special School and based on the consultation which closed on 12 January 2022 for which 223 responses were received. The responses were overwhelmingly in support of the Derby proposals presented in this report and supported by the Equality Impact Assessment (EIA).

- 4.3 The proposals set here are aligned with the SEND and Alternative Provision Green Paper following the government review of SEND: right support, right place, right time published on 29 March 2022 to combat the three perennial concerns with SEND support; early intervention, understanding of holistic needs and crucially to meet these needs with an effective provision. Local data and intelligence indicate a growing need for social, emotional, mental health (SEMH) provision and provision for the autistic children with complex health needs in the city, which the proposals will address.

- 4.4 Nationally and locally the SEND system is experiencing increasing demand and under significant pressure. In Derby, there were 459 new Education Health and Care (EHC) plans made during 2021. This is an increase of 41.7% when compared against the number of children with EHC plans made during 2020. The national increase is 3.5%. Derby is therefore an outlier in demand for EHC plans. The Council are working with Impower to transform the support, insight, place planning and management of SEN learners. This is beginning to have an impact on demand but is still growing at the current time.

Derby is also below the national figure on pupils with SEND attending mainstream education and an alternative provision or pupil referral unit (69.7% of Derby children compared to 72.8% (nationally)).

- 4.5 The proposals outlined in this report are to progress to phase 1a of Derby's capital ambition for SEND. These proposals are designed to secure Derby children and young people with SEND a specialist place to match the need in a Derby school (wherever possible). Phase 1a is planned to take place from September 2022-September 24 and consists of the following elements:

- The expansion for St Clare's will create an additional 35 placements alongside ensuring that the current provision is modernized for all the learners there thus creating a significant improvement for 180 Derby learners with SEND.
- The proposed hub and spoke model in both primary and secondary settings to create 30 places allows for in-year specialist placement capacity and strengthens the graduated response to support SEND in mainstream settings and to build confidence in the system. The hub and spoke -model will add specialist placements under an integrated approach to offer capacity quickly responding to demand at speed.
- The strategy for Inclusion Hubs in mainstream schools and implementation continues to progress builds on current successful provision.

- 4.6 The impact of increasing demand and costs for SEND learners is significant both locally and nationally. In recent years there has been a significant increase in the proportion of the Dedicated Schools Grant required for high needs pupils. This resulted in Derby entering a deficit DSG position at the end of 2021/22 with a further material increase in the deficit forecast for this year and the next few years as new provision is implemented and approaches embedded. A key pressure at the current time is the number of children being placed in specialist settings outside the city. The proposals in this report will partially mitigate this pressure.

Nationally there are significant pressures with the High Needs Budgets with many Councils reporting deficits in the tens of millions and it is an acute pressure the Department for Education (DfE) hope the impending SEND and Alternative Provision legislation will resolve, although it is recognised that many of the pressures are already hard baked in the SEND system.

- 4.7 Derby is required to develop a High Needs Deficit Recovery Plan by the DfE to demonstrate what action is being taken in the short, medium and long term to tackle the HNB deficit. The DfE recognise that in order to develop sustainable plans it will be necessary for 'spend to save' providing those plans are informed by a clear rationale and have the aim to reduce any accrued deficit in the medium to long term.

Derby's High Need Deficit Recovery plan (incorporating what is known as the 'Stretch Plan' relating to implementation of SEND interventions) is based on slowing the placement of children and young people into out of area placements, where need can be met within the city, and on stepping down children and young people in existing placements into schools and settings within the city. The Stretch Plan is dependent on increasing the capacity of the city's special schools.

### **Consultation and next Steps**

- 5.1 Changes in SEND provision were consulted upon in 2021/22. This proposals in this report delivers required provision and specialist support to further deliver the SEND strategy. Where required any further consultation and equality impact assessments will be undertaken as part of the implementation stage.
- 5.2 The proposals (and associated business case) detailed within this report are scheduled for a gateway approval by the Council's PMO Board. This is scheduled for December. Awarding of grant agreements to Schools and Trusts will be subject to successful Gateway review.

### **Public/stakeholder engagement**

The delivered engagement has included.

- 6.1 12 -week formal consultation process
- 6.2 Engagement with Parent Carer's Forum and young people
- 6.3 Engagement with the SEND local area through SEND Boards
- 6.4 Engagement with schools through CEO, Headteacher, governor and SENCo networks

### **Other options**

- 7.1 Do-nothing: There is increased demand for support for SEN Learners arising from the 2014 SEND reforms and the lack of appropriate provision in mainstream and specialist settings. Without additional provision within the City there will be a continued need to place learners outside the City in more expensive placements and associated transport costs. A do-nothing option would severely limit the ability to implement a graduated response to individual learners

## Financial and value for money issues

- 8.1 Nationally the Government acknowledges the increased demand for SEN Learners in both mainstream and specialist settings. Recently additional capital funds have been allocated to Councils to develop new and alternative provision. The Government has also implemented a safety-value programme for Councils with high DSG deficits linked to high need block pressures.

Within Derby there has been a marked increase in the number of pupils with Education Health Care Plans and as a consequence a shortage of suitable mainstream and specialist placements.

- 8.2 It is proposed that the construction works associated with the proposed project at St Clare's School will be funded through a standard Council grant agreement with Esteem Multi Academy Trust, as the Trust will be responsible for delivery of this project and will undertake the works directly, working closely with their appointed professional and technical advisors. Therefore, it is proposed to enter into an initial grant funding agreement with the Trust for the award of up to £6.187m (based on the feasibility study) as set out in Appendix 1. Funding for this is included in the approved Capital programme in Appendix 1. Changes in funding requirements or profiling can be actioned through existing S151 Officer delegation and reported back to Cabinet in the quarterly monitoring reports
- 8.3 Proposals for the Hub and Spoke model and the Inclusion Hubs are still at a relatively early stage and subject to further discussion with Schools and Trusts. Provision will be made within the Capital Programme with a delegation to the Strategic Director of Peoples Services and the Director of Legal, Procurement and Democratic Services to enter into necessary grant agreements and associated actions to ensure that these schemes progress as soon as possible to meet existing and new need.
- 8.4 The report details the indicative cost of the additional provision at St Clare's and seeks amendment to the Capital Programme detailed in Appendix 1. Further amendments to the Capital Programme will be required for the hub and spoke model and inclusion hubs as they are developed through engagement and consultation with Schools and Trusts. An additional £1 million of capital approvals are sought for these schemes. The capital programme will be amended as these schemes develop

Appendix 1 also details the residual capital allocations available to progress additional schemes in the future.

- 8.5 The creation of new provision and places as part of Phase 1 (Ivy House and Kingsmead) and Phase 1a (St Clare's and the Secondary and Primary hub and spoke model) will have consequential revenue implications that will need to be incorporated within the DSG budget, to be approved by Cabinet in February 2023. The indicative costs and places delivered are detailed below: -

Provision		01/09/22 – 31/12/22	01/01/23 – 31/03/23	01/04/23 – 31/03/24	AY 2024/25	+/-Total
Ivy House provision	Number of children placed	0	13	13		13/99
	Cost incl. pension costs	52,724	85,627	286,000		
Renodulated SEN provision at Kingsmead School	Number of children placed	20	35	45		90/135
	Cost incl. pension costs	£171,067	£224,525	£1,154,700		
St Clare's	Number of children placed				35	35/180
	Cost incl. pension costs				597,555	
20 Additional Specialist Placements (Based on St Martin's Element 2 funding)	Number of children placed				20	20/225
	Cost incl. pension costs				396,000	
10 Additional Specialist Placements (Based on St Giles' Element 3 funding)	Number of children placed			10		10/150
	Cost incl. pension costs			218,000		

The Council currently has a growing DSG deficit. The above will in the short and medium term increase the DSG Deficit. The objective, however, is that redesigning the provision alongside other interventions to manage demand and build confidence with the SEND system will ensure SEN learners are able to be educated within the most appropriate setting with more placements available within the City

Without the capital investment and interventions, the pressures on the SEND system will continue to grow. Modelling by Impower have indicated a do-nothing option could result in a spend on high needs of £92 million within the next five years. This would be alongside all the City's specialist settings being full.

8.6 The reprovisioning of SEND provision is a major change project, Key Risks include: -

<b>Risk</b>	<b>Mitigation</b>
Insufficient Provision to meet the needs of SEND Learners	These proposals are part of a wider SEND transformation. Funds are in the Capital Programme for further stages to meet existing and new needs
Additional Provision is not fully utilised	Existing and current forecasts of need indicate that demand in the short and medium term will exceed demand
Capital Costs exceed allocation	These schemes are part of a wider existing capital allocation for SEND provision. Cost controls will be delivered through grant agreements with Schools and Trusts
Strategic Planning and Governance delay implementation	Existing Boards are already in place to deliver these changes at pace and in partnership with Scholls and Trusts

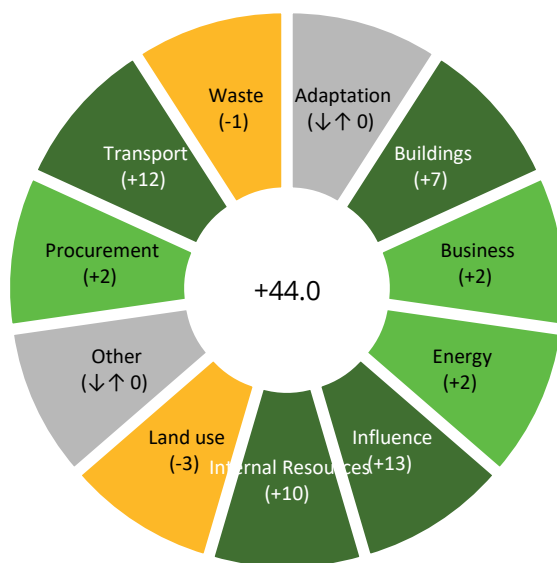


## 9.0 Climate implications

Increasing capacity in schools within the city will reduce the number of children and young people forced to travel longer distances to settings outside of the city, in turn reducing average distance of school transport and associated carbon emissions.

The impact into climate by the proposals of SEND Capital Programme are positive through the reduction of transport, buildings, internal resources and influence.

The assessment with its generated infographic on proposals show that it is beneficial to expand and re-use local space and workforce. It is cutting costs on internal resources, transport whilst strengthening confidence in the system together with the satisfaction of the learner and their families.



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## Legal implications

- 10.1 Part 3 of the Children and Families Act 2014 places legal duties on Local Authorities to identify and assess the special educational needs of children and young people for whom they are responsible. Local Authorities become responsible for a child/young person in their area when they become aware that the child/young person has or may have SEN. They must then ensure that those children and young people receive a level of support which will help them “achieve the best possible educational and other outcomes”.

- 10.2 Under the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013, Local Authorities are required to carry out statutory process to establish, remove or alter provision at a mainstream school that is designated for children and young people with Special Educational Needs and Disabilities. The process involves consultation, publication of a statutory notice and consideration of the responses received.

### **Socio-Economic implications**

- 11.1 Increasing specialist support for SEND will improve the life-changes and outcomes for all vulnerable groups and their families.

### **Other significant implications**

- 12.1 Equalities Impact

An Equalities Impact Assessment (EIA) was completed on 11 January 2022 with the outcome that no major changes for the proposals were needed. The assessment was delivered with the support of Parent Carers Together, Equality and Diversity Team, Diversity Forums and the Special Educational Needs and Disabilities Information Advice and Support Service (SENDIASS), School leaders and governors including other professional across education, health and social care.

- 12.2 Lower homes to school transport costs.

**This report has been approved by the following people:**

<b>Role</b>	<b>Name</b>	<b>Date of sign-off</b>
<b>Legal</b>	Olu Idowu, Head of Legal Services	
<b>Finance</b>	Alison Parkin, Director of Finance	
<b>Service Director(s)</b>	Pauline Anderson, OBE, Director of Learning Inclusion and Skills	
<b>Report sponsor</b>	Andy Smith, Strategic Director of People	
<b>Other(s)</b>	Ann Webster, Equality and Diversity Lead	

<b>Background papers:</b>	None
<b>List of appendices:</b>	Appendix 1- Amendments to the SEND Capital Programme

## Appendix 1

### The amendment of the approved 2022/2023-2024/25 capital programme for the scheme at St Clare's School

Table 1/3: Current approved capital programme before approval of the St Clare's School scheme proposal	Current Phasing			Total
	2022/23	2023/24	2024/25	
Remaining Basic Need funding committed to SEND projects.	£352,991	£4,598,592	£0	<b>£4,951,583</b>
DfE Special Provision Capital Grant.	£0	£1,401,408	£0	<b>£1,401,408</b>
2021/22 DfE High Needs Provision Capital Funding.	£0	£1,565,260	£0	<b>£1,565,260</b>
2022/23 DfE High Needs Provision Capital Funding	£0	£4,787,919	£0	<b>£4,787,919</b>
2023/24 DfE High Needs Provision Capital Funding	£0	£0	£4,315,773	<b>£4,315,773</b>
<b>Subtotal of existing approved capital programme</b>	<b>£352,991</b>	<b>£12,353,179</b>	<b>£4,315,773</b>	<b>£17,021,943</b>

Table 2/3: Proposed New Scheme:	Proposed Phasing			Total
St Clare's School - Expansion and Remodelling works to provide an additional 35 places. Taking the number of available placed from 145 to 180 for Derby City pupils with SEND Education and Health Care Plans.	2022/23	2023/24	2024/25	
Remaining Basic Need funding committed to SEND projects.	£352,991	£2,593,070	£2,005,522	<b>£4,951,583</b>
DfE Special Provision Capital Grant.	£0	£0	£1,235,817	<b>£1,235,817</b>
2021/22 DfE High Needs Provision Capital Funding.	£0	£0	£0	<b>£0</b>
2022/23 DfE High Needs Provision Capital Funding	£0	£0	£0	<b>£0</b>
2023/24 DfE High Needs Provision Capital Funding	£0	£0	£0	<b>£0</b>
<b>Total</b>	<b>£352,991</b>	<b>£2,593,070</b>	<b>£3,241,338</b>	<b>£6,187,400</b>

Table 3/3: Remaining Capital Funding for further SEND Capital Strategy schemes following commitment to the St Clare's Scheme	2022/23		2023/24		2024/25		Total Change	Remaining Budget Total
	Change	Revised Budget	Change	Revised Budget	Change	Revised Budget		
Remaining Basic Need funding committed to SEND projects.	- £352,991	£0	-£4,598,592	£0	£0	£0	-£4,951,583	£0
DfE Special Provision Capital Grant.	£0	£0	-£1,401,408	£0	£165,591	£165,591	-£1,235,817	£165,591
2021/22 DfE High Needs Provision Capital Funding.	£0	£0	-£1,565,260	£0	£1,565,260	£1,565,260	£0	£1,565,260
2022/23 DfE High Needs Provision Capital Funding	£0	£0	-£4,787,919	£0	£4,787,919	£4,787,919	£0	£4,787,919
2023/24 DfE High Needs Provision Capital Funding	£0	£0	£0	£0	£0	£4,315,773	£0	£4,315,773
<b>Subtotal of existing approved capital programme</b>	- £352,991	£0	- £12,353,179	£0	£6,518,770	£10,834,543	-£6,187,400	£10,834,543

