



Report sponsor: Andy Smith, Strategic Director,
People Services

Report author: Pauline Anderson OBE, Service
Director for Learning, Inclusion and Skills

Special Educational Needs & Disability (SEND) ‘Living My Best Life’, Capital Programme in Derby Phase 2

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. In December 2022 the Living My Best Life capital programme delivered the approval of phase 1a with the expansion and remodelling of St Clare’s Special School, the Hub and Spoke -model and further support for the Inclusion HUBs.

The purpose of this report is to seek the agreement of Cabinet to progress with phase 2; namely the remodelling and expansion of the primary pupil referral unit (PRU). 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).

- 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 expand existing specialist school provision.
- To build additional specialist provision if required.

- 1.3 The proposals outlined in this report are a continuation from phases 1 and 1a of the programme following development of the Social Emotional Mental Health (SEMH) strategy and provision for the city and the receipt of the feasibility studies of Newton’s Walk provision in Kingsmead 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.

The expansion and re-modelling of Newton’s Walk former primary PRU will allow Kingsmead School to provide specialist support for learners with SEMH through a varied provision and curriculum offer. These include special school placements, fulltime shared placements with a mainstream school, hospital/medical placements, alternative provision, personalised programme packages and provision for permanently excluded pupils.

It is forecast that Phase 2 will ensure additional provision is available within the City starting from April 2024:

**Phase 2 LMBL Capital Programme from April 2024
Kingsmead Special School (SEMH), for key stages 3 and 4**

There will be an improved SEMH offer with additional places- 25 additional places from April 2024, increasing the commissioned number to 310 in total.

**Phase 2 LMBL Capital Programme from April 2024
Alternative Provision (AP); Kingsmead Special School, for key stages 3 and 4**

Kingsmead Special School will be able to offer an alternative provision for SEMH learners whilst on roll at a mainstream school. This will allow schools to purchase up to 20 personalised packages as part of the graduated response offer. This does not impact the commissioned number for Kingsmead School.

Recommendation(s)

- 2.1 To approve the refurbishment and extension of former Newton's Walk PRU, which will allow Kingsmead School to offer the following specialist provision;
 - (a) Kingsmead School to offer an extended specialist provision for SEMH;
 - (b) Kingsmead School to offer alternative provision, shared placements and personalised programmes for learners on SEND support strengthening graduated response within the mainstream offer.
- 2.2 To note that delivery of Phase 2 will be assessed through the gateway process before adding to capital programme.
- 2.3 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 2.
- 2.4 To approve the amendment of the 2022/2023-2023/24 capital programme for the schemes outlined in Appendix 1 and any necessary contingencies within the approved SEND Capital subject to PMO process.

Reason(s)

- 3.1 In accordance with Financial Procedure Rules, this amendment to the Council's capital programme is 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;

- 13 additional primary school places for Ivy House Special School to support learners with ASD with complex health needs;
- 45 additional secondary school places to Kingsmead Special School to support learners with SEMH needs.

The phase 1a of the programme was approved in December 2022;

- 35 additional places at St Clare's Special School (secondary);
- 30 additional specialist placements housed in mainstream (primary and secondary) schools to increase capacity in year. The learners will be on special school roll under a Hub and Spoke -model;
- 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.

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 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.

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 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.

- 4.6 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.

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 The report details the indicative cost of the alterations at Newton's Walk PRU at £1.270m and the extension to create a provision for alternative provision also at the former PRU for Hair and Beauty at £0.076m totalling £1.346m (based on feasibility studies) and subject to PMO.

- 8.3 There are no revenue implications for the current financial year 2023/2024. The commissioned number will rise from 285 to 310 for Kingsmead School for financial year 2024/2025. The additional 25 places are costed at £0.717m. The places are funded from the High Needs Block of the DSG. The places are needed to reduce the need to place children out of authority thus reducing the pressure on HNB.

- 8.4 The Newton's Walk project will be added to the DSG recovery plan as capacity building in the city. The DSG recovery plan will follow for Cabinet approval in April 2023.

Without the capital investment and interventions, the pressures on the SEND system will continue to grow. 'Do Nothing' is not an option; based on these assumptions a potential budget deficit of more than £134m.

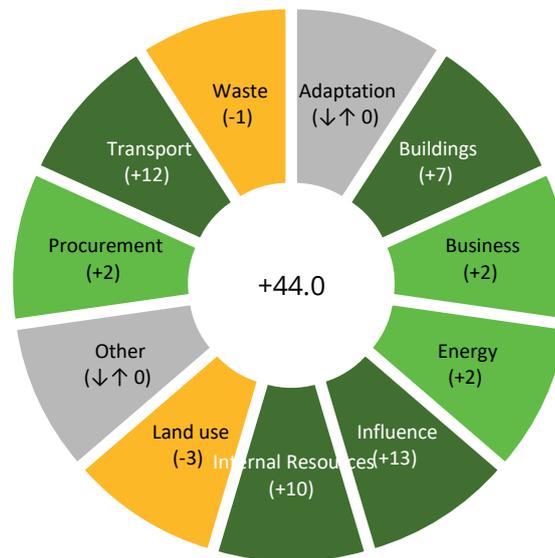
- 8.5 At current we have insufficient offer for learners in need of SEMH provision and alternative provision. These proposals will ensure that the Capital Programme will meet existing and future needs locally thereby reducing the out of authority spend.

Climate implications

- 9.1 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.



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-chances 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:

Role	Name	Date of sign-off
Legal	Olu Idowu, Head of Legal Services	01/03/2023
Finance	Alison Parkin, Director of Finance	06/03/2023
Service Director(s)	Pauline Anderson, OBE, Director of Learning Inclusion and Skills	27/02/2023
	Gurmail Nizzer, Director of Integrated Commissioning (CYP)	23/02/2023
Report sponsor	Andy Smith, Strategic Director of People	
Other(s)	Ann Webster, Equality and Diversity Lead	

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

Appendix 1

The amendment of the approved SEMH provision 2023/2024-2024/25 capital programme for the scheme at Cedar Grove:

Table 1/3: Current Capital Funding for SEND Capital Strategy schemes before approval for Cedar Grove scheme.	Current Phasing			Current Budget Total
	2022/23	2023/24	2024/25	
	Budget	Budget	Budget	
DfE Special Provision Capital Grant.	£0	£0	£165,591	£165,591
2021/22 DfE High Needs Provision Capital Funding.	£0	£0	£1,565,260	£1,565,260
2022/23 DfE High Needs Provision Capital Funding	£0	£0	£4,787,919	£4,787,919
2023/24 DfE High Needs Provision Capital Funding	£0	£0	£4,315,773	£4,315,773
Subtotal of existing approved capital programme	£0	£0	£10,834,543	£10,834,543

The amendment of the approved 2022/2023-2024/25 capital programme for the scheme at Cedar Grove:

Table 2/3: Proposed New Scheme:	Proposed Phasing			
Cedar Grove - Expansion and Remodelling works to provide an additional 25 places. Taking the number of available places from 285 to 310 for Derby City pupils with SEND Education and Health Care Plans.	2022/23	2023/24	2024/25	Total
DfE Special Provision Capital Grant.	£0	£165,591	£0	£165,591
2021/22 DfE High Needs Provision Capital Funding.	£0	£0	£1,179,686	£1,179,686
2022/23 DfE High Needs Provision Capital Funding	£0	£0	£0	£0
2023/24 DfE High Needs Provision Capital Funding	£0	£0	£0	£0
Total	£0	£165,591	£1,179,686	£1,345,277

Table 3/3: Remaining Capital Funding for further SEND Capital Strategy schemes following commitment to the Cedar Grove Scheme	2022/23		2023/24		2024/25		Remaining Budget Total
	Change	Revised Budget	Change	Revised Budget	Change	Revised Budget	
DfE Special Provision Capital Grant.	£0	£0	£0	£0	-£165,591	£0	£0
2021/22 DfE High Needs Provision Capital Funding.	£0	£0	£0	£0	-£1,179,686	£385,574	£385,574
2022/23 DfE High Needs Provision Capital Funding	£0	£0	£0	£0	£0	£4,787,919	£4,787,919
2023/24 DfE High Needs Provision Capital Funding	£0	£0	£0	£0	£0	£4,315,773	£4,315,773
Subtotal of existing approved capital programme	£0	£0	£0	£0	-£1,345,277	£9,489,266	£9,489,265

