

**REPORT ON SPECIAL SCHOOL PLACES, OUTREACH SERVICES AND USE OF
HIGH NEEDS FUNDING FOR CAPITAL WORKS (2017/18)**

Report of the Director of Children's Services

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1. Purpose

To provide the Forum with a summary of:

- the commissioning of special school places for 2017-18, as part of the special school workstream within the SEND strategy;
- developments in the commissioning of special school outreach services;
- proposals for the use of high needs funding for capital work to address urgent issues and pressures in the special school sector

2. Summary

The paper gives an overview of the current demands and pressures on special school places and an update on other issues in the sector.

3. Recommendations

- 3.1 The Forum is asked to agree the commissioning of an additional 68 places across the special school sector. The cost is estimated to be just under £1 million to fund these places from September 2017 (paragraph 5.2).
- 3.2 To support the Minimum Funding Guarantee (MFG) exceptions as detailed in paragraph 6.2.
- 3.3 Forum is asked to endorse the potential use of up to £2.266m in total of high needs funding for capital expenditure in 2017-18 in order to address pressing capacity issues in the special school sector. Use of this revenue funding for capital is subject to permission from the Education Funding Agency (EFA) and the support of the Forum is critical to the EFA's decision (paragraphs 7.1, 7.2, 7.3 and 7.4).

- 3.4 The Forum is asked to agree an increase to the outreach budget of 30% (£92,400 approx.) to enable growing demands to be managed over the next 3 years for primary outreach. The Forum is also asked to consider funding for a secondary outreach pilot which will involve 3 or 4 special schools. A total of 200 sessions should be sufficient to explore how outreach might work in a secondary context and this would cost £42,000. Therefore in total an increase of £134,000 in the outreach budget is proposed for 2017-18 (paragraphs 8.1 and 8.2)

4. The Special School Workstream

- 4.1 A key strand of the special school workstream has been to review areas of pressure and relative underuse in the special school sector. Since its first meeting in January 2016, the workstream has been monitoring the number on roll in special schools and has identified issues and analysis and feedback from workstream representatives.
- 4.2 An independent review of special school capacity was commissioned and visits were undertaken to all schools from March 2016. The summary report was presented to the special school workstream at the end of September and the SEND Executive in October. This now provides an external professional judgement of the recommended physical capacity for each special school in the absence of any DfE formula.
- 4.3 The proposals for the adjustments in funded places in this report for 2017-18 offer some ways of dealing with immediate pressures. This is within the context of increased occupancy levels based on the independent review of special school capacity. This is moving some sectors, particularly primary Learning Difficulties (LD), SLD and SEMH, towards a position where they are operating at maximum physical capacity.
- 4.4 If agreed, the proposals above for capital expenditure in Section 7 below will assist with some pressing capacity issues. However it is recommended that longer term proposals are developed over the coming months to ensure sustainable special school provision is developed coherently as part of the overall continuum of services for high level needs in Hertfordshire.
- 4.5 Another strand of the workstream has been a review of special school outreach. The current outreach from special schools is well regarded. The review recommended that the available resource should be distributed more equitably across the county in accordance with the DSPL model indicators. It was also recommended that one school would cover each area and provider special schools should follow a common county-wide approach. To achieve this, more special schools will now be involved in delivering outreach services.
- 4.6 Some DSPL areas have already increased their use of the support available with demand exceeding supply. In addition, there is demand for the service from secondary mainstream schools. A pilot will be held to investigate the operation and impact of the model in secondary schools. An increase to the total budget for 2017-18 is therefore proposed, supported by the SEND

Executive and high needs funding subgroup. The desired impact on outcomes of any agreed increase will be evaluated.

5. Proposed Funded Places for 2017-18

- 5.1 The total number of places in special schools has been similar for the last 4-5 years. The special school sector is currently funded for 2,175 places from September 2016. There were 2,181 pupils on roll at the end of October and there are currently 124 known referrals which will mean there will be 2,305 on roll in January 2017. This is set out across the sectors in the table below.
- 5.2 It is proposed to increase the number of places funded in September 2017 to 2,243, an increase of 68 places. The cost of funding the additional 68 places from September 2017 is just under £1million in 2017/18. This will cover £10k place funding, the top ups and an estimate for any additional funding for schools that go over number.

Sector	Funded Places Sept 2016	Recommended physical capacity	On roll Oct 16	Referrals	Expected Number on roll January 2017	July 2017 Expected Leavers	Proposed Funded Places Sept 2017	Increase in Places Sept 2016 to Sept 2017
SLD	568	586	586	27	613	35	591	23
LD	120	128	122	5	127	13	120	0
Prim LD	363	400	366	26	392	74	376	13
Sec LD	501	605	503	18	521	106	526	25
Prim SEMH	104	116	92	15	107	34	106	2
Sec SEMH	258	281	261	26	287	68	263	5
HI	144	185	143	2	145	23	144	0
PNI	117	131	108	5	113	9	117	0
	2,175	2,432	2,181	124	2,305	362	2,243	68

6. Impact of Place changes on Top Ups

6.1 Top Ups

Special School top ups include an element which delivers a lump sum to each school. This element of the top up varies between schools depending on the size of the school. The lump sum is intended to cover fixed costs and protect small schools. Where there is a change in funded places the lump sum element will be recalculated so that the same lump sum is delivered to the school. Where the size of the school increases the lump sum element of the top up reduces because it is a per pupil allocation. The opposite will apply if places numbers decrease. See illustration below of two schools of similar type.

Illustration of changes in places on Lump Sum Top up			
	Funded Places	Lump Sum Top Up/Place	Total Lump Sum
School A	115	£2,301	£264,645
School B	64	£4,135	£264,645
If increase School B to 115			
School B	115	£2,301	£264,645

6.2 Minimum Funding Guarantee

Under the school funding arrangements if there is a reduction in the total place funding per pupil of more than 1.5% special schools are protected to 98.5% of the previous year's unit value. Depending on the actual place changes which are determined it is possible that some special schools funding per place will reduce by more than 1.5% as a result of the change in the lump sum element of the funding. The Forum is asked to support an application for an MFG exception for any schools where the operation of the funding formula reduces their total funding per place by more than 1.5%.

7. Proposed Use of High Needs Funding for Capital Works

7.1 Although there are significant pressures in particular sectors and overall there is physical capacity for further funded places this capacity is not in the location, sector or individual schools where it is most needed. Therefore consideration has been given to addressing some capacity issues through three submissions to the EFA for use of high needs funding for potential capital works.

7.2 Accommodation Improvements at Breakspeare and Watling View SLD Schools

Urgent capital work is needed at Breakspeare and Watling View SLD schools to enable them to operate efficiently and safely so that the pupils are able to be placed up to the recommended physical capacity. Significant accommodation deficiencies were identified in an external physical capacity exercise and safeguarding issues in relation to the accommodation in one of the schools were also highlighted in a recent Ofsted inspection.

At Breakspeare an initial assessment of the improvements that are required include a new modular building and internal alterations to create more space for pupils with wheelchairs and large equipment; internal re-modelling to provide suitable changing facilities with direct access from classrooms and disabled toilet facilities. The initial cost estimate is £567k, so up to £652k could be required (including 15% contingency).

At Watling View internal modifications and alterations are required including improving the accommodation for profound and multiple learning difficulties (PMLD), widening and re-positioning of doors; provision of a laundry room;

replacing a calm room; modifications to the accommodation for secondary students; increasing space for the large equipment and wheelchairs required by children; development of a modular building to provide space for 1:1 work, therapy and a family room . The initial estimate is £325k, so up to £374k could be required (including 15% contingency).

7.3 SLD School Capacity

Capital works estimated at up to £890k are proposed to provide some flexibility to increase capacity where most needed at up to four of Hertfordshire's SLD schools. All six SLD schools are operating at capacity with more pupils on roll than funded numbers this academic year with a further increase expected by April 2017. Where feasible, permanent extensions or adaptations to existing buildings would be explored at an estimated cost of £150k per school. It is likely that the solution at some schools may involve the use of a double mobile. The cost of a mobile suitable for the needs of pupils at an SLD school is between £275k and £315k depending on the finish. Estimated costs have been based on the assumption that one standard finish mobile, one with a more permanent-looking finish and adaptations of existing buildings at 2 schools may be possible.

7.4 SEMH School Capacity

Capital works estimated at £350k are proposed to increase capacity in SEMH schools. There is pressure on primary SEMH provision in the west of the county and a double mobile at Haywood Grove School at a cost of £220-250k would meet existing and predicted demand. In addition only one of the SEMH secondary schools is currently able to admit girls and this school is operating at physical capacity. Adaptations to one of the other secondary SEMH schools would give a more local option to enable girls to be admitted. The cost of an adaptation to an existing secondary boys SEMH school for this purpose is estimated to be £100k.

7.5 These proposals, if agreed and feasible, will enable pupils to be supported locally and avoid the need for more expensive independent and non-maintained out of county placements and a higher revenue cost to the high needs block. Forum is asked to endorse the potential use of up to £2.266m in total of high needs funding for capital expenditure in 2017-18 in order to address pressing capacity issues in the special school sector.

8. Outreach

8.1 To implement the new outreach model, the pattern of schools and sessions, (using the latest available DSPL area model indicators) would be:

DSPL Area		Model Indicator Share		Current Sessions	Additional Funding & Sessions		School
Area Name	No	%	£	No	£	No	
North Herts	1	10.2	31,452	149	9,434	45	Woolgrove
Stevenage	2	11.0	33,919	161	10,174	48	Greenside
Bishops Stortford, Hertford & Ware	3	11.1	34,228	163	10,267	49	Amwell View
Hoddesdon, Broxbourne & Cheshunt	4	8.9	27,444	130	8,232	39	Middleton
Welwyn Garden City & Hatfield	5	9.7	29,911	142	8,972	43	Southfield
Potters Bar & Borehamwood	6	6.0	18,502	88	5,550	26	Watling View
St Albans & Harpenden	7	12.0	37,003	176	11,099	53	Collett
Berkhamsted, Tring & Hemel Hempstead	8	13.2	40,703	193	12,209	58	Woodfield
Watford & Three Rivers	9	17.8	54,888	261	16,463	78	Colnbrook
			308,550	1,463	92,400	439	

8.2 It is proposed that, in addition to an increase of £92.4k in the primary sector, a secondary school pilot is carried out at an additional cost of £42k. The total recommended increase is £134k in 2017-18.

9. Conclusion

Forum are asked to endorse the proposals in this report.