

People and Health Scrutiny Committee

8 November 2022

Sufficiency of Special Educational Needs and Disabilities (SEND) provision

For Review and Consultation

Portfolio Holder: Cllr A Parry, Children, Education, Skills and Early Help

Local Councillor(s): All

Executive Director: T Leavy, Executive Director of People - Children

Report Author: Vik Verma

Title: Corporate Director for Education and Learning

Email: vik.verma@dorsetcouncil.gov.uk

Report Status: Part Exempt

Brief Summary:

This report is to update the Committee on the recent decision by Dorset Council Cabinet on 6 September to approve funding for the next phase of investment in specialist provision.

Recommendation:

That this Committee note the contents of this report.

Reason for Recommendation:

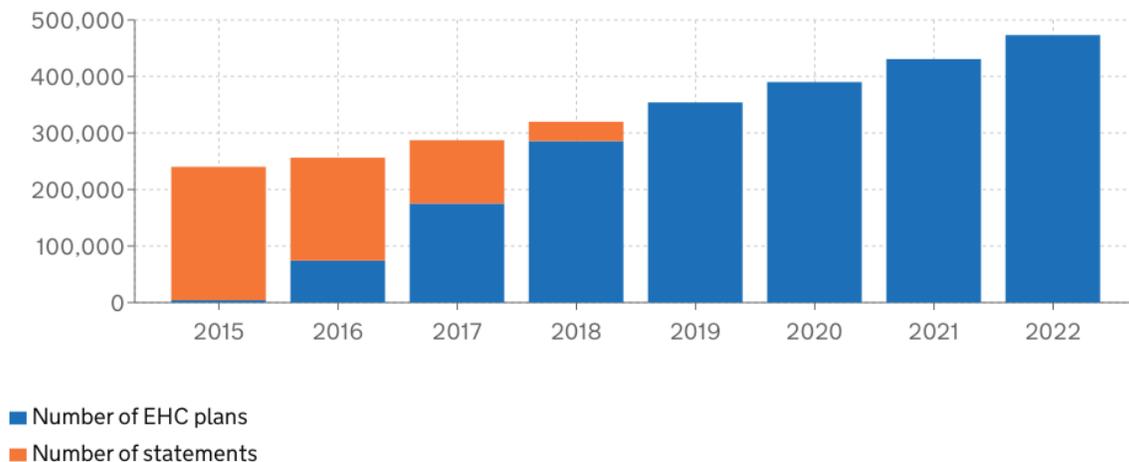
The Committee are being updated on the Council's programme to invest in increasing specialist provision in Dorset.

Sufficiency of Special Educational Needs and Disabilities (SEND) provision

- 1.1 In the Dorset SEND Strategy 2021 – 2024, the Council reaffirmed its vision for children and young people with SEND. "We want our children and young people with special educational needs and disabilities (SEND) to be healthy, happy and safe and able to achieve their potential to lead a fulfilling life. We want them to have, and to expect the same opportunities in life as other children and young people."

- 1.2 The Special Educational Needs and Disabilities (SEND) Capital Strategy 2020 – 2025 (link: [Dorset SEND Capital Strategy 2020 to 2025 - Dorset Council](#)) was agreed by Cabinet on 8th December 2020 and committed to future capital funding to a programme of work to deliver increased SEND specialist provision across the County. This was approved to support the mitigation of the deficit on the High Needs Block and support more children being educated locally in their communities.
- 1.3 The Strategy set out the demand and provision for pupils with an Education Health and Care Plan (EHCP). There were approximately 2,800 pupils with an EHCP in August 2020 and as at June 2022 there are now approximately 3,300 pupils with an EHCP.
- 1.4 The total number of children and young people with EHCPs nationally has increased each year since the Children and Families Act 2014 reforms came into law. The following graph sets out the national position showing the growth and continuing rise in children and young people being supported by an EHCP:

Number of EHC plans and statements of SEN, 2015 to 2022



- 1.5 At the meeting on 6th April 2021 Cabinet agreed a total funding commitment of between £35m and £40m to support the implementation of the SEND Capital Strategy, subject to further feasibilities and planning.
- 1.6 Working collaboratively between Children’s Services and Place, projects were developed and put forward to Cabinet for the second phase of investment to be approved in September 2022. The report taken to Cabinet details ten schemes at an estimated total cost of £31.5m to create an additional 228 places over three years with places available from September 2023 to September 2025.
- 1.7 The proposal put to Cabinet describes two types of investment in new provision:

- 1.7.1 Firstly, the expansion of existing specialist provision to increase their capacity to meet local needs. The prioritisation across the programme is for the projects at special schools including Mountjoy School, Westfield Arts College and for the urgent need for further capacity in the East Dorset Learning Centre. Dorset specialist provision is typically rated Good or Outstanding and we would seek to expand this excellent provision that already exists.
- 1.7.2 Secondly, to invest in the inclusion hubs programme to develop new provision attached to mainstream schools to support children who can access a mainstream curriculum and need some additional support.

Inclusion Hubs in mainstream schools

- 1.8 Inclusion hubs are specialist resourced provisions within mainstream school settings, which make provision for children and young people with an EHCP to allow them to remain in mainstream settings with suitable support. This allows pupils with EHCPs to remain with their peer group, to access a broader curriculum.
- 1.9 In an inclusion hub, pupils spend most of their time (usually well over 50% of their timetable) in mainstream classes. They attend the inclusion hub facilities for individual support, to learn a specific skill or to receive therapeutic support.
- 1.10 Inclusion hubs will have one of two designations. This is because the prevalent needs of pupils with an EHCP are either one of these:
- One type of inclusion hub will meet the needs and ambitions of children and young people with Communication and Interaction needs (C&I).
 - The second type of inclusion hub will support children and young people with Social, Emotional and Health (SEMH) difficulties.
- 1.11 To meet the prevalent needs of pupils with EHCPs in each locality there needs to be a mix of Communication and Interaction and SEMH inclusion hubs across all phases of education. Where there is an existing inclusion hub in a primary setting, a secondary (or a first, middle and upper school) inclusion hub will be commissioned to provide a stable transition to through the phases for pupils with EHCPs.
- 1.12 The inclusion hubs must be at the heart of the school to achieve the most benefit for all pupils at a school. They should allow pupils to move flexibly between mainstream and hub settings, to encourage inclusion of pupils with an EHCP.

- 1.13 There are several inclusion hubs, which are included as part of this report for approval and delivery between September 2023 and September 2025. Please see the Appendix for the details of these.
- 1.14 The proposals set out in 1.7 are in addition to the places already signed off at Beaucroft School for the creation of a new Post 16 provision which is proposed to complete in May 2023 to create an additional 80 places; and Coombe House School where the school will grow to over 200 pupils over time.
- 1.15 Details of the specific schemes is commercially sensitive and so is contained in a confidential exempt Appendix (Appendix 2 of this report) within the meaning of paragraph 4 of schedule 12 A to the Local Government Act 1972 (as amended).

Department for Education Free Schools

- 1.16 The Department for Education (DfE) is leading the development of two Free Schools in Dorset to support with the expansion of provision.
- 1.17 Osprey Quay 14-19 AP Special School for ASC and SEMH ranges – is proposed to open in September 2024.
 - 1.17.1 The project is a Department for Education (DfE) led free school meaning it is being funded and project managed by the DfE.
 - 1.17.2 The new special school, which will be located at Osprey Quay on Portland, will aim to provide up to 75 places for children and young people aged 14-19 years with special educational needs or disabilities (SEND).
 - 1.17.3 The Council is supporting the DfE and Delta Education Trust to support the delivery of this scheme.
- 1.18 The Harbour School in Wareham opened in its new buildings in April 2022 and supports children and young people with autism spectrum (ASC), social emotional and mental health (SEMH) and co-morbid conditions from year 5 to year 13. The school is new and growing and pupil numbers have been increasing gradually since April 2022. The school will grow to 160 places when at full capacity.

2. Financial Implications

Capital Funding

- 2.1 The SEND Capital Strategy 2020-2025 is supported with a capital allocation of up to £40M to enable the expansion of local specialist provision by approximately 500 places to support the council's management of the high needs funding for children and young people with SEND.
- 2.2 Of the £40m originally earmarked for SEND provision, £15.5m has been spent on the acquisition and set up of Coombe House School at the Dorset Centre of Excellence. This leaves a balance of £24.5m.
- 2.3 In addition, the DfE has allocated Dorset Council £7.0m of High Needs Capital to cover the period 2021-24. This next phase of investment in the SEND capital implementation strategy will therefore be funded as follows:

	£'m
SEND Capital Budget	24.5
DFE High Needs Provision Capital Allocation	7.0
Total Budget	31.5

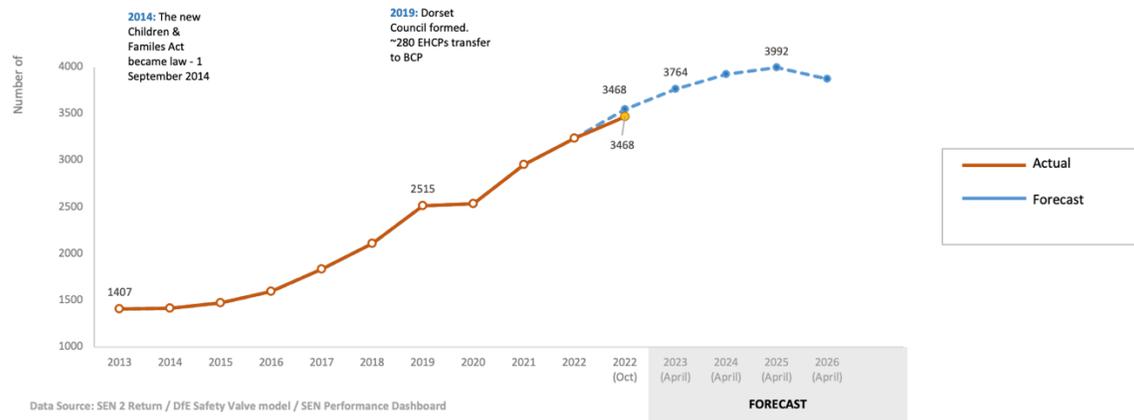
The High Needs Block of the Dedicated Schools Grant

- 2.4 The Council received an overall grant of £47m (2022/23 allocation) through the High Needs Block to fund provision for children and young people with SEN in the 2022/23 financial year. The High Needs Block has a forecast in-year deficit on the budget for the 2022/23 financial year.
- 2.5 The greatest pressure on the High Needs Block comes from the Independent and Non-Maintained Special School spend of approximately £14m and therefore the imperative to grow specialist provision in maintained schools and academies to offset this is clear.
- 2.6 The growing pressure on the High Needs Block is unlikely to ease in the immediate short term, even as improvements in inclusive practice are implemented in schools and the growth in the cohort slows. However, improvements in practice will support the improvement of inclusive practices in our schools to ensure more children and young people can be supported in state funded educational settings to the future.

The Dedicated Schools Grant (DSG) "Safety Valve"

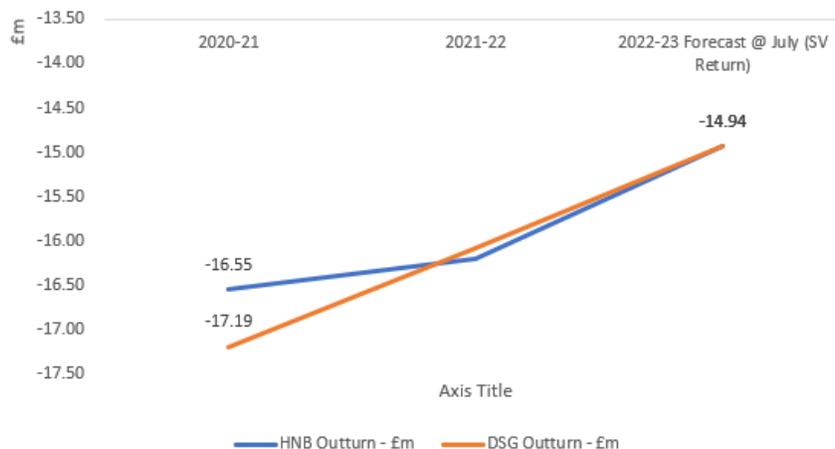
- 2.7 The Dedicated Schools Grant ‘Safety Valve’ Agreement is an agreement between the DfE and Dorset Council for the years from 2021-22 to 2025-6 and is available online here ([link](#)).
- 2.8 At paragraph 2 “the authority undertakes to reach an in-year balance on its DSG account by the end of 2026-27 and in each subsequent year”. Further at 3.9 “Direct an increase in sufficiency through Dorset SEND Capital Strategy 2020-2025 to expand specialist provision for children and young people”.
- 2.9 The Council submit quarterly monitoring reports to the Department for Education. The Q2 monitoring report to be provided on the 15th of September will reference those projects approved for delivery on 7th September 22 by Cabinet to demonstrate the progress being made by the council to deliver this commitment.
- 2.10 As at the 31 July, Dorset Council are on track to deliver 8 out of the 9 conditions set out in the Safety Valve Agreement. In particular, the Council remains ahead of its forecast for the number of children being supported by an EHCP, owing to the positive delivery against 8 of the 9 conditions in the agreement.

Number of Statements / EHCPs over time



- 2.11 There remains however an amber risk against one condition: 3.9 Direct an increase in sufficiency through Dorset SEND Capital Strategy 2020 – 2025, to expand specialist provision for children and young people). As set out in the report to Cabinet on 6th September, there is a commitment from Cabinet to invest in additional places across the council area, rising construction material and labour shortages are impacting capital projects (including Department for Education Free School delays). This includes capital projects costing more than initially thought and taking longer to deliver than expected due to later start times.
- 2.12 As a result, the financial forecast for this financial year has moved to a £14.9m overspend (against a £10.4m overspend target). Whilst the in-year deficit continues to decline year-on-year since a peak in 2020/21, the impact of delays in capital projects does mean the deficit is not yet declining at the rate the council had forecasted in 2020.

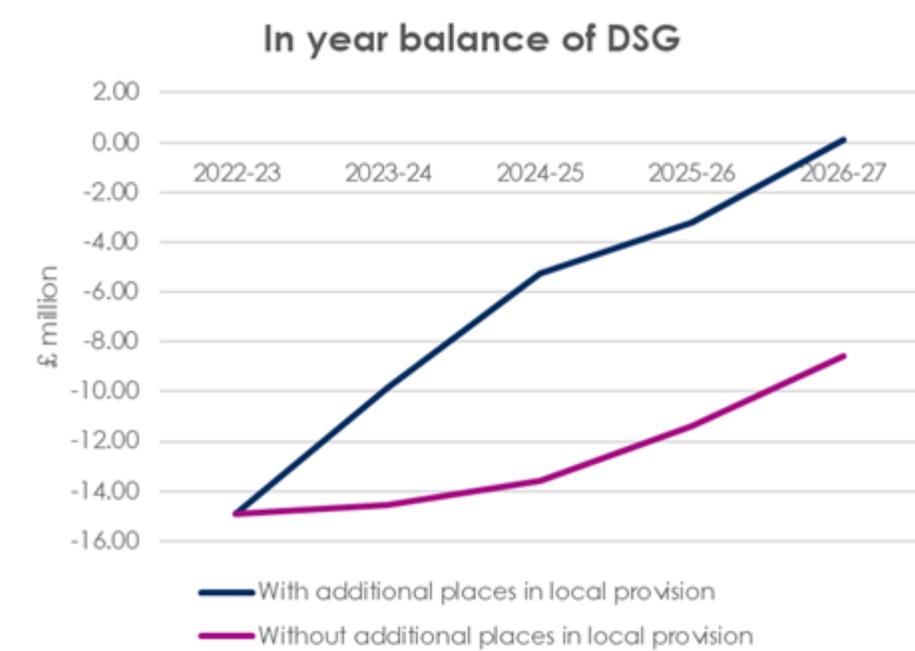
Dorset Council: DSG and HNB in-year outturn



Revenue implications

- 2.13 Revenue costs for the running of each of the new provisions will be paid from the High Needs Block of the Dedicated Schools Grant (DSG).
- 2.14 The average cost of a placement in independent special school placements are £55,700 per pupil, compared to an average cost of a place at a maintained special school which are delivered at an average of £23,127 per pupil. This is an average difference of £32,573 per pupil per annum. If this saving is applied over a child's maximum fourteen-year education duration, then this would total a saving of £459,276 for a single child.
- 2.15 Currently 8% of pupils are in Independent Specialist Provision, Non-Maintained Special Schools (INMSS) and Specialist Post 16 provision (SPI) costing 31% of the revenue cost for places and top ups. The safety valve agreement aims to reduce this to 1% of pupils (costing 4% of the funding for places and top ups).
- 2.16 The potential savings to the High Needs Block is based on the assumption that 50% of the new places created will be taken up by children in existing high cost, independent placements that would then return to Dorset created provision, through partnership working with families. The remaining 50% of places would be to support new demand and cost avoidance of children that would otherwise require an independent specialist placement.
- 2.17 The graph below shows the impact of the additional places described in this paper and how they support the safety valve programme. Without the additional places and assuming that the proportion of children in each type of school remains as it is now, the costs to the High Needs Block would continue to rise giving a deficit in the High Needs Block in 5 years' time of over £100m which

would continue to rise annually by ~£6m. With the local places the DSG revenue will be able to balance moving forwards. The 'safety valve' agreement contributions from DfE and Dorset Council and our assumptions for DSG funding will have removed the cumulative deficit in this period leaving the high needs block to balance within its grant income.



3. Environmental Implications

- 3.1 It is anticipated that the delivery of this programme of new provision will enable suitable places to be located more locally which will avoid the significant travel implications some pupils currently have to undertake.
- 3.2 More local provision to meet the highest levels of need will reduce travel for pupils and therefore reduce climate impact.
- 3.3 As with all property related work climate change implications are always considered and will be addressed where possible. For example, in the options appraisal for each provision e.g. Westfield South Annexe proposal the option of re-purposing an existing Council building to avoid the climate impact of new construction and additional built assets has been considered for each project.

4. Well-being and Health Implications

- 4.1 The provision of good quality SEND local education provision is essential for health and wellbeing of children, young people, and families.

5. **Other Implications**

Not used

6. **Risk Assessment**

- 6.1 **HAVING CONSIDERED:** the risks associated with this decision; the level of risk has been identified as:

Current Risk: High

Residual Risk: High

A schedule of risks is maintained by the Assets and Property team for the programme. Rising inflation is having an impact on construction costs nationally. Rising construction material costs and labour shortages may start to impact capital projects (including Free School delays). This includes capital projects costing more than initially thought and taking longer to deliver than expected due to later start times. These risks have been factored into this report.

7. **Equalities Impact Assessment**

- 7.1 This proposal will increase the number of Special School places available to Dorset pupils, with the intention of reducing the number having to be placed outside the Council area and in independent special schools. An equalities impact assessment was completed as part of the original SEND Capital Strategy.

8. **Appendices**

- Appendix 1 – Cabinet 6 September 2022 SEND Capital Strategy Implementation Plan
- Appendix 2 - Cabinet 6 September 2022 SEND Capital Strategy Programme Report (Exempt)

9. **Background Papers**

- SEND Capital Strategy 2020-2025 approved by Cabinet 8th December 2020 (link: [SEND Strategy 2021 to 2024 - Dorset Council](#))
- SEND High Needs Block Management Strategy approved by 8th November 2021 (link: [SEND High Needs Block Management Strategy approved by 8th November 2021](#))