

Report of:	Deputy Mayor and Executive Member for Children's Services Director of Education and Partnerships
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Submitted to:	Executive
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Date:	8 November 2022
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Title:	Special Educational Needs and Disabilities Sufficiency and Capital Developments
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Report for:	Decision
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Status:	Public
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Strategic priority:	Children and young people
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Key decision:	Yes
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Why:	Decision(s) will incur expenditure or savings above £150,000 and have a significant impact in two or more wards
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Urgent:	No
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Why:	Not Applicable
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Executive summary

This report sets out the information required for Executive to make a decision to discharge its duties to ensure:

1. pupil place-planning – ensuring that there are sufficient school places for all pupils in a local area in mainstream schools and settings for pupils with high needs (special schools and Alternative Provision); and
2. support for vulnerable pupils – ensuring appropriate support for pupils with additional needs and/or vulnerabilities, including those with Special Educational Needs and or Disabilities (SEND), those at risk of exclusion or requiring support from Alternative Provision (AP), and those requiring support from early help or children's social care.

The report provides information on projected demand for school places for pupils with Special Educational Needs and Disabilities in mainstream and special settings.

The report sets how the Council intends to meet young people's needs in the face of growing demand and how it intends to support all vulnerable pupils, including those with SEND, those at risk of exclusion or requiring Alternative Provision (AP), and those requiring support from early help or social care.

Purpose

1. This report sets out the requirements to provide sufficient places and schools in Middlesbrough to meet the needs of children and young people with Special Educational Needs and Disabilities and to seek a decision of the Executive for capital programmes to achieve this requirement

Background and relevant information

2. Local authorities have a statutory obligation to ensure that sufficient are schools available for their area to provide primary and secondary education.
3. This report seeks a decision and provides the necessary information to enable the Executive to meet its obligations, setting out:
 - Pressures on the High Needs Block of the Dedicated Schools Grant and the causes of those pressures
 - Data forecasting the demand for specialist provision and the impact on Special Educational Needs on mainstream settings
 - Capital funding allocated by the Department for Education for the purpose of developing High Needs Provision (High Needs Provision Capital Allocation) and the Basic Need Funding Allocation
 - The proposed strategy for ensuring sufficiency for Inclusive, Special and Alternative Education in Middlesbrough.

Pressures on High Needs Funding

4. Since the end of the financial year 2018-19, the High Needs Block (HNB) of the Dedicated Schools Grant (DSG) has incurred a deficit due to increased demand on local provision to meet the needs of children and young people with Special Educational Needs and Disabilities (SEND) and vulnerable children, including those at risk of exclusion. The number of children and young people in Middlesbrough that have an Education, Health and Care Plan and need specialist provision increases year on year. This upward trend has been compounded by escalating needs caused by lost education during the global pandemic with an increase in children needing to move to specialist settings following a new statutory assessment or an annual or emergency review of their EHCP.
5. This increase is expected to continue in this academic year 22-23. This is due to the continued pressure in mainstream settings to support children in the early years that have missed vital early years education, and children's experiences during lockdown periods with difficulties in returning to full time education in both primary and secondary settings.
6. While the number of children and young people with SEND in the categories of Learning and Cognition, Physical and Medical Needs and Sensory Loss have remained relatively stable with the exception of children with Severe Learning Difficulties, more are presenting with Social, Emotional and Mental Health Needs and Speech, Language and Communication issues (including Autism Spectrum and Neurodiverse Conditions). In addition to those requiring

specialist settings, the 21-22 Academic Year saw a significant rise in Fixed Term and Permanent Exclusions.

7. A large proportion of excluded students go on to specialist assessment and are not reintegrated into mainstream provision. This pressure is impacting on Alternative and Specialist places. Middlesbrough council is finding it increasingly difficult to find suitable local specialist provision to meet the needs of these young people, as demand increases and outstrips the supply of places. This can result in the Council having to commission places in high-cost independent specialist settings, often with long travel distances requiring transport assistance resulting in a further upward pressure on the Council's transport budget.
8. These circumstances have a financial impact on the High Needs Block of the Dedicated Schools Grant. This budget has been under pressure since 17-18, and now has a cumulative deficit of £5,062,000. Aware of these financial difficulties, The Department for Education has invited Middlesbrough Council to join Delivering Better Value. This is a grant funded programme of support to identify and deliver projects that will support future financial sustainability of SEND provision and bring the High Needs Block to a balanced position.

Demand for Provision

9. Since 2018, demand for provision for children with Education Health and Care Plans has increased by more than 50% in almost every setting type available in the town. Exceptions to this is Post 16 education which saw a high dropout rate during the pandemic years, and Hospital and Alternative Provision which is used for SEND children and young people in exceptional circumstances.

Table 1: Demand for provision based on forecast of EHCP growth to 2027

Jan	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Mainstream schools or academies	229	257	298	309	403	664	742	792	916	1034
Resourced Provision or SEN Units	168	163	187	200	313	340	360	379	379	379
Maintained special schools or special academies	338	361	407	461	601	767	810	848	848	848
NMSS or independent schools	26	29	32	35	46	58	30	30	30	30
Hospital schools or Alternative Provision	38	29	21	30	39	36	38	40	42	44
Post 16	251	242	239	185	241	250	255	260	260	260
Other	0	0	0	52	16	0	0	0	0	0
Total number of EHCPs by placement type	1050	1081	1184	1272	1659	2115	2235	2355	2475	2595
Increase from previous year		31	103	88	387	456	120	120	120	120

10. To meet this demand to date, Middlesbrough Council developed provision locally, particularly in the areas of Autism Spectrum Disorders and Social, Emotional and Mental Health Needs. A decision has also been made to progress a secondary phase of Discovery Free School to support the large number of students in the town with Severe Learning Difficulties. The Council also places children at maintained and academy special schools in neighbouring authorities where available and appropriate. Unfortunately, this is still not sufficient to meet demand and capacity is augmented by the use of independent providers.

Strategy for Sufficiency in SEND and Alternative Provision

11. The SEND and Inclusion Sufficiency Strategy identifies the following priorities to secure sufficiency of places in Middlesbrough for children and young people with Special Educational Needs and Disabilities:
 - Early identification of needs to prevent escalation
 - Respond to the negative impact of COVID 19 lockdowns, particularly for those in the early years and foundation stages

- Develop expertise, curriculum and capacity in mainstream settings to transform mainstream schools and settings to deliver an inclusion target of 20% more Children and Young People with an EHCP
- Develop enough local, good quality provision to ensure children and young people with the most complex needs are able to be educated in Middlesbrough with excellent outcomes, including appropriate and sufficient Alternative Provision

12. **Early Identification of needs to prevent escalation** It is critical that children and young people with SEND have their needs identified as early as possible to ensure that any barriers to learning, where possible, can be overcome to ensure that children do not fall behind. Where support to access learning is not put in place, this exacerbates behaviours, and the gap widens in terms of age-related expectations. The Inclusion and Specialist Support Service has introduced an enhanced inclusion model to support schools with identification and intervention- this model supports settings across the 0-25 age range.

13. **Respond to the negative impact of COVID 19 lockdowns-when education settings returned in full after lockdown in January 2021.** It began to emerge that children in Early Years and KS1 had a higher incidence of delays in learning. Over the course of the 2020-21 Academic Year, referrals for Early Years and Inclusion Services and Education Health and Care Plan Assessments increased for children of nursery, reception and Key Stage 1 phases. Children's progress appeared to be affected particularly in the areas of Speech, Language and Communication (including suspected Autism Spectrum Conditions) and Social, Emotional and Mental Health Needs. These needs are not unique to Middlesbrough and have been recognised by OFSTED have published briefings on the impact of lockdown on early years here [Education recovery in early years providers: spring 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/education-recovery-in-early-years-providers-spring-2022).

14. Subsequently, the number of children moving into ASD specialist provision in Reception tripled in number on the previous Academic Year. At the moment it is unclear whether these presenting needs will endure in the long term, and so the council has responded by establishing an assessment and intervention provision named Beverley Park. This intervention sets out to assess the needs of children in a short space of time and provide key intensive intervention. For children presenting with Speech and Language Needs but that do not have Autism, there is an expectation that children will be supported to integrate into mainstream settings when they have made some progress to catching up with their peers. This provision has been established for 3 years to support children born 2018-2021 who may be adversely impacted by the lockdowns during the pandemic. Evaluation of the programme will take place and consideration of a Key Stage 1 equivalent is being considered depending on presentation in Autumn Term of 2022-23. To facilitate this, an investment of £150,000 is needed to ensure the building is able to provide a safe and conducive environment for this work. This will work alongside the approved scheme for the Cleveland Unit at Hemlington Initiative Centre that reflects the changed needs of the early years and foundation stage cohort. Therefore, approval is sought to amend the Hemlington scheme to £300,000 so this can be achieved within one project.

15. To achieve financial sustainability, it is vital that more children and young people with SEND are taught in their local mainstream provision. Work to achieve this will include workforce development, support to the mainstream sector to deploy resources effectively and curriculum development to ensure a wide and varied accessible curriculum for children with a range of special needs. In addition, a capital grant scheme will support schools with match funding up to £20,000 to establish supportive environments for children and young people with sensory integration and social and emotional needs. This will be funded from the High Needs Provision Capital Allocation at a cost of £500,000. To support this initiative, the council will also commission a Holistic Primary Centre providing short term support and intervention for students experiencing periods of emotional distress and having associated social, emotional and mental health needs. This provision will deliver places for up to 16 children at any one time

to receive wrap around support, respite and therapeutic intervention so that they can return to their school and that their needs are prevented from escalating to requiring specialist support or being excluded from school. The capital contribution from the HNPCA will be £750,000. Grants will also be used to adapt resource bases in mainstream schools using £300,000 of HNPCA funding. This is combined with a comprehensive workforce development programme and school improvement strategy.

16. While inclusion in mainstream settings will achieve a good foundation for sufficient SEND provision in the town, there are still a significant number of children with very complex needs who require highly specialist teaching and environments to thrive. As referenced at paragraph 6, demand for specialist provision continues to increase in the areas of neurodiverse conditions (Autism, Foetal Alcohol Syndromes, etc), Social Emotional and Mental Health Needs and Severe Learning Difficulties. We intend to grow local provision to meet this demand in the long term and prevent the use of high-cost independent specialist provision. To do this the following programmes are required:

- Add a secondary phase to Discovery Free School to accommodate children with Severe Learning Difficulty to avoid out of area placements. This programme has already been approved at Executive with a council contribution of £6.2 million from Basic Need and HNPCA
- Development of a primary phase special free school for children with neurodiverse conditions for up to 100 places. This will provide an assessment and reintegration to mainstream model at Key Stage 1 and offer additional capacity at Primary for children who will continue to require specialist provision for their SEN. The council will prepare a submission to the free school wave for 21st October 2022. If unsuccessful, the council will need to consider alternatives to deliver additional primary places
- Identify and refurbish a building suitable for pupils with complex ASD, this will replace the FAIRFAX provision and allow for places to be added to provide 5 year groups. This will also free up space at Hollis to give extra places for SEMH. £250,000 from HNPCA will be used for this project. This will provide a highly specialist alternative to independent provision for students with ASD that require opportunities for academic pathways in an environment tailored to their sensory and social needs.
- Hemlington Initiative Centre modifications and moving of temporary classroom to the site to increase capacity for early years and foundation stage intervention named Beverley Park (already approved)

What decision(s) are being recommended?

That the Executive:

- Approve the following programmes for investment from High Needs Provision Capital Allocations as set out in the report

Fairfax Project

£250,000 from HNPCA to be used for refurbishment of a building for this project. This will provide a highly specialist alternative to independent provision for students with ASD that require opportunities for academic pathways in an environment tailored to their sensory and social needs.

Mainstream Transformation

A capital grant scheme to support schools with match funding up to £20,000 to establish supportive environments for children and young people with sensory integration and social and emotional needs. This will be funded from the High Needs Provision Capital Allocation at a cost of £500,000.

SEMH Primary Assessment and Intervention

Holistic Primary Centre providing short term support and intervention for students experiencing periods of emotional distress and having associated social, emotional and mental health needs. This provision will deliver places for up to 16 children at any one time to receive wrap around support, respite and therapeutic intervention so that they can return to their school and that their needs are prevented from escalating to requiring specialist support or being excluded from school. The capital contribution from the HNPCA will be £750,000.

Beverley Park at Hemlington Initiative Centre

Modifications and moving of temporary classroom to the site to increase capacity for early years and foundation stage intervention named Beverley Park. £150,000 has been already approved for a programme to refurbish Hemlington Initiative Centre on 24th May 2021. To accommodate this additional provision a further £150,000 HNPCA is required to add capacity for Beverley Park.

Rationale for the recommended decision(s)

17. To enable appropriate growth of SEND Education Provision to meet our statutory duty under Section 14 of the Education Act 1996

Other potential decision(s) and why these have not been recommended

18. N/A

Impact(s) of the recommended decision(s)

Legal

19. The Council faces the risk of not discharging their statutory duties. Without appropriate and sufficient provision, there is an increased risk of families taking the Council to tribunal to secure provision that will be directed by a judge for their child's needs.

20. The Council also has a duty to secure appropriate provision for pupils with SEND. Where there is a lack of local publicly maintained places, this can mean the Council needing to commission out-of-area places or, where necessary, places in mainstream schools with significant and costly support.

Strategic priorities and risks

21. We will show Middlesbrough's children that they matter and work to make our town safe and welcoming and to improve outcomes for all children and young people

22. We will work to address the causes of vulnerability and inequalities in Middlesbrough and safeguard and support those made vulnerable

23. We will ensure the recovery of local communities, businesses and the Council's operations from COVID-19, taking opportunities to build back better

Human Rights, Equality and Data Protection

24. A Level 1 Impact Assessment has been undertaken and is attached at Appendix 2. The proposal presents no specific issues relating to equalities or disability discrimination or impingement on human rights. The decision being sought aims to positively affect educational outcomes for young people aged 4-16 and in particular those with Special Education Needs and Disabilities, reducing the need for these children to travel greater distances to places outside of the town or be without appropriate education.

Financial

25. Middlesbrough Council receives High Needs Capital Grant Allocation from the DfE to assist in carrying out its duties in relation to providing school places and capital resources for children with SEND or requiring Alternative Provision.

26. This is a relatively new funding stream which replaces the DfE's Special Provision Fund and sees a significant uplift in the amount of money allocated at both a local and national level. In 2021/22, the Council received a two-year allocation of £5,007,532

27. While the current allocation is much more generous than previous years, it remains insufficient to tackle all of the needs in Middlesbrough. Basic Need grant funding is therefore being used to supplement the available funding. The Executive report of April 2022 set out a contribution of £6.2m towards the extension of provision at Discovery Special Academy into the secondary sector. This has subsequently been reduced to £3.2m as a result of the HNPCA allocation

28. The Council received HNPCA allocation of £1,159,882 in 21-22, £2,272k in 2022/23 and £2,735k in 2023/24. Considering previous years' carry forward and existing commitments, there will be £1,139k to fund future projects.

29. The council is expecting further HNPCA allocations from 2024/25 but it is not clear at what level funding will be provided by the DfE

30. Without the programmes to achieve a financially sustainable SEND provision, there are 2 considerations:

- The increase in an already significant deficit to the High Needs Block of the Dedicated Schools Grant
- The risk that DSG deficits may be transferred to the council as proposed by the DfE for future financial years

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
ASD/FAIRFAX provision-identify building and progress adaptation	Judi Libbey	April 2023
Commission SEMH Base	Judi Libbey	April 2023
Mainstream Grant Scheme Launch	Judi Libbey	November 2022

Appendices

1	Capital Funding Allocation and List of Programmes
2	Impact Assessment
3	

Background papers

Body	Report title	Date
Ofsted	Education recovery in early years providers: spring 2022 - GOV.UK (www.gov.uk).	Spring 2022

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