

15 May 2018

Subject: Special School Provision in Wiltshire

Cabinet Member: Councillor Laura Mayes - Children, Education and Skills

Key Decision: Yes

Executive Summary

The report takes forward issues addressed in the preceding cabinet report of November 2017. It makes a proposal for preliminary consultation on ways to establish long term arrangements for meeting the needs of pupils with cognitive needs in the north of the county, currently met at St Nicholas, Larkrise and Rowdeford special schools. The November report explained the context for this, in the 2015-18 Special Educational Needs strategy and the review of Wiltshire's special schools. It also set out the issues giving rise to the need for action:

- i) *Pupil growth*: an additional 220 special school places for 5-16 year-olds needed by 2026;
- ii) *North/south imbalance* of provision: pupils travelling from south to north;
- iii) *Physical condition* of some schools;
- iv) *Financial pressures* on some schools and on the high needs block (ie special education funding element of the authority's earmarked grant for school funding, the Dedicated Schools Grant (DSG));
- v) *Pupil outcomes* with interest in support for mainstream schools.

A programme of work was proposed in November, flowing from the Special Educational Needs Strategy 2015-2018. This report identifies progress with that in terms of consultation and communications, further research and provision. The last of those relates to previously agreed consultation on the addition of Severe Learning Difficulties to the designation of Rowdeford, development of new Autism/Social, Emotional and Mental Health needs (ASD/SEMH) provision in the south and exploration of primary provision.

Consideration of the current position and next steps now identifies:

- Solutions for a future-proof pattern of special education in the south, and for ASD/SEMH in the north.
- Two school sites which appear unviable and one of uncertain suitability for the long term, all being schools for cognitive difficulties in the north;
- Other sites with potential to enable new build or expansion;
- Revenue implications and a critical risk to the council arising from any failure to take action to identify capital funding to expand special school provision to match future pupil numbers;
- The unclear position of the previously available external source of necessary capital funding through the national free school policy;

- Potential to realise capital assets.

The report makes suggestions for future planning in response to proposals made by the schools themselves. With other areas of the special school estate addressed and/or secure, a priority to address the shortfall of places for complex needs/cognitive difficulties in the north is identified. The priority is to address (a) current overcrowding at St Nicholas and Larkrise, and (b) future growth for those schools as well as at Rowdeford. Options considered include one-school, two-school and three-school solutions to take on the work of St Nicholas, Larkrise and Rowdeford. Relative merits of those options are illustrated, leading to proposals to consult in order to establish views on them.

Proposals

- a) To thank special schools and stakeholders for their contributions to development work noted in the report.
- b) To recognise the achievements noted in the report for the future pattern of Wiltshire special schools in the context of its 2015-18 Special Educational Needs Strategy: namely, what is being developed in the south of the county and what is working well in the north.
- c) With a focus on the need to build capacity for cognitive needs in the north, to enter into a pre-statutory consultation phase on the options in the report:
 - i) to develop a single school for cognitive needs at Chippenham, or
 - ii) to develop two schools in Chippenham and Trowbridge, or
 - iii) to develop/continue three schools in Chippenham, Trowbridge and Rowdeford...with provision moving from the current St Nicholas, Larkrise and Rowdeford sites or not, according to the particular case, and only when new provision is operational;
- d) That the results of that consultation be brought back to cabinet to determine any further action, including the possibility of publishing statutory notices for formal consultation on any specific proposal arising from the pre-statutory consultation.

Reason for Proposals

It is appropriate to recognise successful developments and practice in the whole arena of Wiltshire's special education and special schools
Action is needed to make appropriate provision for pupils with special educational needs and to avoid a long-term budget problem.
To ensure due process and transparent consideration of next steps
To secure the right pattern of special schools for the long-term future.

Terence Herbert, Corporate Director

Wiltshire Council

Cabinet

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Key Decision: Yes

Purpose of Report

1. To update Cabinet on the work done, and now being undertaken to secure the future of special school provision in Wiltshire;
2. To confirm next steps in relation to setting out parameters for development, securing capital funding and progressing change;
3. To confirm authority for preliminary consultation on the future pattern of Wiltshire special schools in the context of its 2015-18 Special Educational Needs (SEN/SEND) Strategy.

Relevance to the Council's Business Plan

4. This work on Wiltshire's Special School provision is relevant to the following Business Plan 2017-2027 priorities:
 - i) *Priority: Growing the economy*
 - High quality special educational provision in all schools; ensuring that all pupils achieve the best possible outcomes and go on to enjoy the best start to adult life.
 - ii) *Priority: Strong communities*
 - Focus on delivering the education provision, in-county, that children and young people with special education needs and/ or disability (SEND) require – the right education provision, at the right time, in the right place.
 - iii) *Priority: Protecting those who are most vulnerable*
 - Ensuring that children and young people with SEND can have the best education and support, provided in good quality estate.
 - Ensuring that special education provision in Wiltshire is equitably provided, reducing the number of pupils who must travel excessive distances to school.

- Special education provision that is better aligned with other related services (community health services, social care, and mental health for eg) to improve access to, and provision of, required support.

iv) *Priority: Innovative and effective council*

- Doing things differently to ensure that the council can meet its statutory duties to provide the right education provision in the face of a rising population and growing demand.
- Improving the focus on outcomes for pupils with SEND.

Main Considerations for the Council

5. Its business plan priorities and statutory duties around protecting vulnerable pupils and ensuring high quality local placements for those with special educational needs;
6. Its 2015-18 Special Educational Needs Strategy with the vision inherent in that and expressed in the report;
7. The critical financial risk to the council arising from the pressure on local special school places and the resulting cost of independent special school placements;
8. The ambiguity around dedicated national funding for special school capital developments;
9. The need to develop provision in the right place, and particularly the balance between the north and south of the county;
10. The strong case for investment in schools fit for the future
11. Due process in terms of statutory and pre-statutory consultation.

Background

Vision for Special Educational Needs

12. Wiltshire Council has established a clear commitment to supporting the vulnerable and to the importance of special educational needs within its service delivery. The council's business plan sets aspirations for this project:
 - ensure that all pupils achieve the best possible outcomes.
 - provide the right education, at the right time, in the right place.
 - offer the best education and support within good quality estate.
 - equitably provided and better aligned with other related services
13. The Special Education Needs Strategy set out the priorities for SEN provision in Wiltshire's schools:

- Identify right physical provision
- Improve outcomes and practice
- Ensure inclusion
- Early identification, positive engagement and improved transitions
- Support schools and staff
- Manage financial pressures

14. This report describes the Council's process to secure future-proof centres of excellent, pupil-focused, educational support within special schools. We affirm that special schools should be central to a coherent framework encompassing mainstream schools, resource bases, targeted funding and professional partnerships. Whilst affirming the importance of the whole structure, the focus of this report is necessarily on Wiltshire's special schools. Underpinning the process is an acknowledgement of the dedication and commitment of their staff and governors, their critical partnerships with parents and professional stakeholders, and the entitlements of their pupils.
15. Wiltshire Council has the statutory responsibility to ensure Wiltshire's special schools are truly fit for purpose -- not only "right" in timing, location and focus, but more than right: inspiring, state-of-the-art and offering excellence in both education and outcomes for all pupils.

Previous report

16. Scope

This report follows its predecessor of November 2017. The report covered the following:

17. Background

- i) Glossary (accessible in the background paper); Statutory responsibilities; Special School Provision in Wiltshire; Financing SEND provision; Capital funding for SEND provision; Special Educational Needs Strategy 2015-2018.

18. Update

- ii) Work with special Schools; concerns regarding special school provision; moving forward; future intentions – programme of work; current service; task group; financial implications; legal implications

19. Conclusions

- iii) Further work to be done and future report.

Key Points

20. The November update gave an account of context in the background information, and in the update set out issues giving rise to the need for action:

- i) *Special Educational Needs Strategy 2015-18* identifying vision and priorities for SEN provision, including “right places...managing financial pressures” and noting the need for “collaborative working to facilitate a more efficient use of scarce resources” (para 15);
- ii) *Pupil growth*: an additional 220 5-16 YO special school places needed by 2026 in addition to the current 588 places, with 123 in the north and 97 in the south;
- iii) *North/south imbalance* of provision meaning that 71 ASD & SEMH special school pupils were travelling from south to north;
- iv) *Physical condition* of some schools;
- v) *Financial pressures* on some individual schools and on the high needs block as a whole;
- vi) *Pupil outcomes* resulting in interest in sector-led support for mainstream schools.

21. The report noted the LA's position statement of June 2017, meetings of the WASSP (LA/stakeholder) group, resulting proposals from special schools to address the issues, and an LA commitment to further analysis of those to inform future proposals.

The aims of the programme of work were...

- i) To maximise current Severe Learning Difficulties (SLD) / Complex provision to meet as much of the current and short to medium-term demand locally, as is possible;
- ii) To establish a strategic property solution for SLD/Complex provision in the North; enabling an increase of Planned Admission Number (PAN) to 350 (~an additional 50 places for growth) to meet identified future longer-term demand;
- iii) To create new Autistic Spectrum Disorder/Social Emotional & Mental Health (ASD/SEMH) provision in the South, providing an additional 130 places over time, to meet identified future demand and reduce geographic inequity of provision; potentially rationalising ASD and SEMH provision in the North to achieve this;
- iv) To facilitate new and/or expanded primary phase ASD/SEMH provision in the North and South, providing an additional ~50 places over time, to address shortfalls in current provision and to better meet the needs of children.

22. With reference to immediate pressures, cabinet was notified of plans to undertake consultation on proposals to expand provision at Exeter House special school and to change the designation of Rowdeford House special school to include SLD as well as moderate learning difficulty (MLD) pupils.

23. The report referred to the dedicated Children's Select Committee task group which met four times up to the end of February, as well as to legal and financial implications. Financial implications included pressure on high needs block, and the relevance of capital implications.
24. Finally, annexes to the report included a glossary, an account of special schools in Wiltshire with concerns about the provision, the programme of work, breakdown of projected demand by need and geography, over time, and a North/South split descriptor.
25. Key issues were in annex III expanding on the key points from November above, and annex IV expanding on the programme of work.

What has been achieved December – March

26. Consultation and communications

- i) The portfolio holder for disabilities and the interim director of education and skills have both visited each of the special schools at least once;
- ii) WASSP meetings have been held in January and February; a further meeting has been planned for Tuesday 8 May upon release of this report;
- iii) WPCC (Wiltshire Parent & Carer Council) parents' meetings have been held in the north and south of the county, and the interim director of education and skills has met individually with their executive director.
- iv) Rowdeford Special School consultation (see below).

27. Further research

- i) Benchmarking on special school sizes in the region has been undertaken, showing Wiltshire's schools not to be outliers in terms of existing special school sizes, but noting that new schools tend to be larger and small schools based on different funding models;
- ii) Pupil number projections have been interrogated and confirmed;
- iii) Exploration of capital funding options has been undertaken (see below)
- iv) Examination of special schools' proposals has been undertaken in respect of schools' capacity and condition, and their proposal for an over-arching partnership aimed to co-ordinate activities (see below).

28. Improving Provision

- i) Statutory consultation on the addition of Severe Learning Difficulties (SLD) to the designation of Rowdeford special school has been

undertaken with positive results, providing additional flexibility in the system;

- ii) A process of seeking expressions of interest in delivering new ASD/SEMH provision has been undertaken; a commitment has been made; expanded provision in the south is intended to provide greater flexibility and choice with effect from 2018. In practice this means planning a new 130 place primary & secondary phase ASD/SEMH provision in Salisbury in partnership with a multi-academy trust, with an interim provision in a primary school which will be vacated and available in Summer 2018;
- iii) Exeter House special school capacity is being addressed. The local authority and school will work closely together to deliver an increase in places to 150 (including Post 16 places) by 2026, on the current school site. Meanwhile there is a short-term expansion plan, and funding agreement, in place to deliver an increase in places from 121 to 133 in 2018 to meet identified demand in the south.

Programme of Work

29. Relating those points back to the programme of work identified in November: (a) is in progress with Rowdeford and Exeter House changes as key developments; (b) is addressed in the proposals below; (c) is in hand with a proposal to make more places available in the south effective from September 2018 with subsequent expansion; (d) Primary phase review not completed; this can be undertaken under delegated authority.

Context of Funding Pressure: Revenue Pressure and Capital Need

30. Wiltshire Council has been successful in containing SEND spending in the past, consistent with national policies to minimise statement numbers and special school placements. Unintended consequences of the previous low central spend on SEND now include a national funding formula for the allocation of high needs block (HNB) funding which is based 50% on historical allocations, therefore effectively freezing the previous low funding allocations. Wiltshire is “on the funding floor” for the new formula and therefore will attract only the minimum 0.5% increase over the next two years.
31. In the past, Wiltshire’s proportion of statements to pupil population was below national (and considered good practice); recent growth means it is now equivalent to national, and projections relating to population growth, housing development and army re-basing have indicated the need for an additional 220 of 5-16YO special school places by 2026. However, the funding mechanism for high needs does not reflect increases in demand or changes in needs. As with other councils experiencing growth in SEND numbers,

many in a worse position than Wiltshire, the result is a pressure on the HNB element of the dedicated schools grant (DSG), which is running an in-year deficit.

32. Activity over the past two years has sought opportunities for co-production of solutions, undertaken in the knowledge that expansion of the special school estate would be needed, and the expectation that an anticipated Wave 13 round of free school bidding would enable the necessary capital funding. As of January 2018, the basis of that source of capital was unclear.
33. Another source of capital is needed in order to keep options open. Failure to confirm that would mean the additional 220 pupils would not be accommodated in Wiltshire, but would have to be placed in independent special schools. SEND assessment and allocation processes are by law needs-driven, and caselaw has strengthened the position of appellants in SEND Tribunals, with resulting costs to LAs.
34. If we model the increased revenue cost based on a unit cost for a residential independent special school placement (£68k) then the increased spend for the “do nothing” option over the period to 2026 is £15.1m. However, the cost avoided is estimated at £10.4m, as there is also an additional cost to any in-house solution in place and top up funding. If we were to use the current average cost for our mix of independent special schools ie, a mixture of day and residential (average £45k), then the increased spend over the 9-year period is £10m and the cost avoided approx. £5m (and continuing). More detailed financial implications are in the section at the end of the report.
35. Thus cost estimates reflect assumptions made in relation to what independent special school (ISS) provision could be procured the event that we have to look to the market. It is likely that the proportion of residential placements would increase from the current mix because of a lack of local ISS provision. Wiltshire officers would struggle to find the required number of places anywhere within daily commuting distance, with higher unit costs resulting from transport, greater reliance on residential provision, and market forces of supply and demand. This is a critical risk to the council, with costs estimated on balance at £5-10m over a 9-year period with the difference in costs between using the independent sector and developing in house provision continuing at approx. £1.5m per year beyond that period.
36. Special school places cost more capital to build more than mainstream. Requirements for storage of mobility and medical equipment, hoists and tracking, therapy rooms and pools, small classes and extra staff all add to floor area needs as well as specialist facilities. Estimates of the aggregate cost of capital works to add the necessary special places are in the region of £25-35m, but likely to be at the lower end of that range.
37. What that means is £30m non-recurrent capital spend, to save £5-10m revenue costs up to 2026 but with revenue costs continuing to increase beyond that period without new provision. Moreover, the expected introduction of a “hard” national funding formula for mainstream schools will mean schools will be paid directly by the national funding body, and the

schools block of the council's Dedicated Schools Grant (DSG) will be removed. This will nullify the council's policy of regarding an overspend on special needs funding (High Needs Block) as a pressure on the Wiltshire schools' budget (DSG) overall. Councils will only be in receipt of the high needs and early years block allocations, resulting in the risk that this revenue pressure would be exerted on Wiltshire Council budgets and not schools' budgets.

Finding solutions: Sourcing Capital and Expanding Capacity

38. *Finding local solutions to sourcing capital* has become a priority, given the need to expand local special school provision, the risk of not doing so and the apparent disappearance of a national free school route to capital;
39. Some solutions to the need to expand capacity are already in hand – see *Improving Provision* above;
40. The need for expansion is confirmed in *Expanding Capacity (1)* below;
41. The examination of special school proposals has identified the extent to which they represent solutions (*Expanding Capacity (2&3)*);
42. Finally, practical options are put forward.

Sourcing capital

43. It has been established that Wiltshire's special school system needs additional capacity. There aren't enough places, they're in the wrong locations, and overcrowding of some schools, whilst well managed by their leaders, has had the unintended consequence of disguising the shortfall. Sources of capital have been considered, including:
 44. Regional Schools Commissioner – not to rule out the free school route which had been available until recently;
 45. Academies locally include two Wiltshire special schools, which might have access to capital for growth;
 46. Release of school sites might yield capital receipts, subject to the educational case being made; capital released in this way would be insufficient to meet building costs.
47. The LA has non-school sites which could produce capital;

48. There is a capital programme not hitherto used for schools, but which might be seen as the ultimate source of a solution to the revenue risk highlighted above.

Expanding Capacity (1): Confirming the Need

49. Relevant material from the special schools is in section 7.1 page 9 of their report. Their data is based on the LA's 2017 calculations in its November report, which were reviewed in February 2018 and appear to be agreed, have been interrogated, and found to be accurate. The table is copied below, presenting data by primary need for both north and south over time, concluding that growth in the north is overall +123 and south +97, equating to 220 by 2026.

50. Due diligence work noted below indicates the need to focus on complex needs in the north, where, taking into account post-16 figures there is a need to plan for a capacity of 350 places, balancing Exeter House provision in the south.

November report, Annex V

51. Based on analysis of growth because of reforms, housing developments and military rebasing the following breakdown is projected:

By SEN Designation	Current Placements in Wiltshire Special Schools (5 – 16yrs)		2yrs (2019)			5yrs (2022)			9yrs (2026)		
	Current places North	Current places South	North	South	All new	North	South	All new	North	South	All new
ASD	111		4	9	13	24	22	46	50	40	90
SEMH	68		2	3	5	10	9	19	21	17	38
Complex	279	82	4	8	12	23	20	43	49	37	86
Sensory			0	1	1	2	1	3	3	3	6
All	458	82	11	20	31	58	52	111	123	97	220

52. These figures suggest accumulated primary needs as follows in 2026:

Need	Current	Growth	2026 need
ASD	111	90	201
SEMH	68	38	106
Complex*	361	86	447
Sensory	0	6	6

The report goes on to propose solutions school by school, noted below.

Expanding capacity (2): Proposals from the special schools

53. In response to the data and to the LA's proposals of summer 2017, special schools made proposals which the LA undertook to consider.
54. *Downland* (SEMH) proposal sees no problem with meeting 2-year growth, but a need for an increase in Planned Admission Number for 5-year growth. For 9-year growth utilisation and reconfiguration provide low-cost expansion routes, and the site has sufficient land. The school already has some ASD pupils and has been moving ahead to accommodate primary age and female pupils.
55. *Springfields* (ASD). Reach South Springfields Academy has responded positively to the council's assessment of growth needs, agreeing with its aims for meeting those.
56. *Larkrise* (*SLD/PMLD (Profound and Multiple Learning Difficulties)) proposals point to strong community links and academic improvements. They note their flexible use of the current accommodation, and rely on higher spend (£750k capital) and/or the use of the Ashton St Centre for expansion. Use of the latter is the school's preferred option and one vocally supported by the school's governors.
57. *St Nicholas* (SLD/PMLD) proposal notes their effective presence within the community, and how they are "flexing" in response to needs currently, such that they would need no capital or staffing investment to accommodate 2-year growth. The school's preferred option for 5/9-year growth carries a capital cost of £510k with additional classrooms on site. A second option would use one of the free school sites planned for Chippenham in a £6.7m new build school.
58. *Rowdeford* (MLD/SLCN (Speech, Language and Communications difficulties)/ASD). The school is relatively centrally placed in the county and its site area would appear to provide opportunities for growth. It is supported by a charitable trust enabling additional fundraising. 2-year growth could be met at a cost of £9.5k, and 2022/26 numbers could be met according to the school at a capital cost of £350-£700k with needs for additional classrooms.
59. *Exeter House* (SLD/PMLD/ASD). Expansion to meet identified demand is considered achievable through internal remodelling (at unidentified but relatively low cost) with some rebalancing of placements to northern schools.
60. The schools also put forward what is for them a key proposal to establish a co-ordinating body to establish a partnership between them. The LA supports school partnerships in principle, subject to clarity of respective roles and duties. In itself this proposal is intended to address co-ordination and

efficiency rather than pupil growth and expansion of capacity, so it isn't analysed here. It is however a serious professional piece of work which merits due consideration.

Expanding capacity (3): Wiltshire's due diligence work

61. This work was undertaken in response to schools' proposals for expansion, summarised above. It has shown no major estates problems for Springfield, Downland or Exeter House, and thus no barriers to their proposals resulting from capacity issues. The issue is to match expansion to demand, so that funding is appropriate. The focus is therefore on St Nicholas and Larkrise because of existing over-subscription, and on Rowdeford for its site, main building and potential part in a solution to addressing expansion for pupils with cognitive difficulties.
62. In order to comply with DfE recommended minimum areas, pupil numbers at St Nicholas and Larkrise would need to reduce by about 100 altogether, adding to the need to expand elsewhere. St Nicholas appears to have a maximum capacity of 53 - currently it has 96 pupils - and Larkrise is similarly oversubscribed with a capacity of only 44. This oversubscription has been well managed by school leaders, to the extent that their proposals indicate their ability to accommodate short term growth. However, we would not expect to confirm long-term plans for mainstream pupils under those constraints, and therefore arguably should not plan a long-term future-proof strategy to treat vulnerable pupils in a way inconsistent with a priority of the council's business plan ("*Ensuring that children and young people with SEND can have the best education and support, provided in good quality estate*").
63. St Nicholas' continuation on the current site would not on that basis be reasonably sustainable in the long term. Neither the building nor the grounds meet DfE expectations unless the school were to reduce significantly in pupil numbers. An additional 12 places (school's figures) for 2022 looks more realistic as a helpful short-term measure (subject to usual risk assessments). However, examination of proposals against DfE criteria suggests that the site constraints preclude implementation of the school's long-term proposals other than by reference to their option of a new build on a different site.
64. For Larkrise, long term continuation on the current site would similarly not be sustainable. However, the nearby Ashton St site (until recently the adult centre) has been a focus of attention and considered by school governors and a past LA working group as a solution to the continued operation of the school in a split site mode. This additional site could provide more than enough space for Larkrise now and in the future, but such use would need to be considered against the alternative of grant-funded demolition and use of the site for housing which is also needed in the town. In terms of DfE site regulations there appears to be no scope permanently to expand Larkrise without the additional Ashton St or other land.
65. Estates team analysis concludes that the Rowdeford proposals could meet the DfE's minimum recommended areas subject to planning permission and

listed building consent being granted. The existing buildings include a substantial grade II listed regency house. Preliminary analysis of planning and highways factors suggests significant constraints arising from the listed status of the building, its location in a flood area, and the nature of the road which is not conducive to the provision of improved access transport associated with higher pupil numbers.

66. Due diligence work has thus identified a key problem not recognised before because of the schools' resourceful management of oversubscription at St Nicholas and Larkrise and the unusual site at Rowdeford. Exeter House in Salisbury can deliver the 130 places needed there, but 350 are needed in the north of the county to make up the total in the table on page 9. A significant shortfall of places has to be met because of current overcrowding and future growth.
67. Council officers have undertaken an extensive investigation of options for expansion/new build in the north, reflecting the option proposed by St Nicholas school, and the confirmed need for major expansion. Options considered include:
- i) Larkrise – Noting the site constraints, and on the assumption that no land is available to facilitate the expansion of the school, "...the proposals do not meet the DfE's minimum recommended areas. It is therefore not considered viable to implement the proposals on this basis". However, examination of the nearby Ashton St site concluded that the two sites together could provide for 230 pupil places.
 - ii) St Nicholas – "We do not consider it appropriate to implement the proposed works as it is considered that site constraints preclude implementation of the proposals." However land would be available in Chippenham for a new build/relocation.
 - iii) Rowdeford – "the planning officer considers the modest expansion of the school may be possible subject to detailed consideration of siting and design...The listed status of Rowdeford House may restrict the ability to alter either the layout or fabric, and ongoing maintenance costs are anticipated to be higher than a modern equivalent... within (Rowdeford House) there are many issues which cannot be overcome due to design constraints and its listed building status...other buildings...only minor adjustments needed. The site is outside the settlement boundary...and there is effectively a presumption against development...(but) national policy attaches great weight to the need to create, expand or alter schools...the site is partially within flood zones...numerous protected species records exist within the existing school site..."
 - iv) Forest Farm Melksham was discounted, as being unsuitable for a new school.
 - v) Land adjacent to Rowde Primary School, Rowde, was considered to be potentially one of the better options in terms of access and land area, but a special school there might be considered out of proportion

to the immediate community (as is the case with Rowdeford).

- vi) Potential sites in Chippenham and Trowbridge: There is no available space on any of the agreed free school sites in Chippenham (the St Nicholas proposal) that would ensure that both schools met minimum recommended DfE areas. However, the council owns other land in these areas which could potentially provide special school sites. Chippenham and Trowbridge being a strategic development areas, such a focus could be an appropriate long-term investment. Capacity would need to be carefully matched to demand in order to ensure that Wiltshire pupils were catered for rather than those from other areas.

68. From this exploration it appears that the options for expanding capacity in the north are:

- i) “Modest” expansion of Rowdeford
- ii) Expansion of Larkrise using the additional Ashton St site
- iii) New build at Chippenham, Trowbridge or Rowde

Expanding Capacity (4): Options/Conclusions

69. *Downland, Springfield, Exeter House* - continue to manage planned growth. LA decisions on Planned Admission Numbers and age ranges can be dealt with operationally. Where consideration of a Downland/Springfields merger was considered as a matter which might have been looked at in the programme of work in 2017, further examination of pupil number projections suggests no compelling case for such a move on that basis.

70. *St Nicholas* – no solution has been found to continue the school in its current form or accommodate their proposals, except by a relocation and new build in Chippenham.

71. *Larkrise* - continuation depends on use of the Ashton St or other Trowbridge site. With a combined capacity of 230 the two adjacent Ashton St sites could accommodate both Larkrise and St Nicholas pupils, leaving a need for places in the north which could be accommodated at Rowdeford. A major new build project would be required, and the potential for Ashton St to be used for needed housing would be lost. Other potential Trowbridge sites are currently being explored.

72. *Rowdeford* – the “modest” expansion deemed possible technically could accommodate residual needs, although building constraints and maintenance costs would remain a problem.

73. *Rowde* village offers another potential site, close to Rowdeford school and Devizes, and centrally placed in the northern part of the county. It is next to a primary school with a drive-in facility from the main road, with sufficient land for a special school of up to 350 places.

74. *Chippenham* as a strategic development area offers opportunities for new build with good communication routes and infrastructure, and where the St Nicholas experience has demonstrated community/special school links which have worked well.

Merger/Other Options

75. The November report considered exploring a merger of St Nicholas and Larkrise with Rowdeford on existing sites, with a view to saving management costs. Merger could reduce back-office costs, but the need for leadership on site and co-ordination across three sites would make this an unattractive option for the long term. In any case, merger does not in itself address the need to expand schools.

76. The option of retaining the three northern cognitive difficulty schools on their existing sites is theoretically available, but is unattractive as it would require a c.200 place additional new build to add necessary capacity. Modelling costs of the two smaller schools with pupil numbers at DfE capacity (53+44) suggests that such reductions would increase unit costs with implications for viability. Whilst some schools of similar sizes exist elsewhere, that is likely to be based on different funding systems which support smaller schools. The current pressure on Wiltshire's high needs as well as schools' blocks of DSG militates against a change which would add costs to an already overspent budget. Add to that the proposition that there would be adjacent schools because of the new build, no capital receipts, the position of Ashton St would be unresolved without space for primary school expansion...and this option would look like a failure to grasp the issues.

77. Choices before us are practically about a choice of one or two or three schools to meet cognitive difficulty needs in the north.

1. One School

- i) This solution would be a large special school, probably one of the largest in the region, close to a mainstream primary school (Rowde) or school and other facilities (Chippenham/Trowbridge), with a new build and state-of-the-art modern facilities, and providing the opportunity for an iconic statement from the county.
- ii) Economies of scale would result from its size; care would need to be taken in the design to create human-scale spaces and places, but a "blank-sheet" start provides the opportunity for stakeholder involvement in design.
- iii) Transport costs are estimated to be marginally greater (£12k) than current (in the case of either location), calculated on current pupil numbers. Transport costs will increase with pupil number growth in any case.

- iv) Professionally the option would offer the benefits of providing the best opportunity for a major centre of excellence, the synergy of co-locating a comprehensive range of teams, skills and facilities, efficient operation for a full range of professional partners including health, and significant leadership capacity to take the concept and develop it through the first half of the 21st century.
- v) The aspiration to develop outreach support for mainstream schools and a SEND network on a hub-and-spoke model with resource bases could operate from a single centre of leadership.
- vi) In the process there would be the option of releasing school sites at Chippenham, Trowbridge and Rowdeford for other use. Additionally, positive action could be taken on the Ashton St Trowbridge site. The advantage of releasing two Trowbridge sites would lie in the potential to support developments in both housing and school provision, each needed in the town.
- vii) Such a project would involve significant change. However there would be firm commitment to work with parents and schools to ensure continuity of provision until any new arrangements were fully in place. With this option building would take place well away from pupils, being on an entirely new location. So moves would take place after new places were created: no door closes until a new one opens.
- viii) Costs are identified at the end of the report under the “financial implications” heading. Building on a single green-field site and maximising the release of other sites makes this relatively attractive as an option.

2. *Two Schools*

In this solution, the schools would be of above-average size with some economies of scale and comparable transport costs. Options are:

- i) *Split-site Trowbridge as above with Rowdeford.* This would provide a lower level of disruption, two schools appearing to continue with expansion and refurbishment. However, building works on site during the operation of the schools might be difficult to manage. The two schools would be a reasonable distance apart, their sites known, and the change could be achieved by one closure (St Nicholas) and development of two existing schools under their current leadership. Compromises would result from the nature of Rowdeford House, and the need for split-site operation at Trowbridge, with constrained access through residential streets and with an adjacent primary school. Capital receipts and costs would be lower, but working on currently used or brownfield sites would incur costs, potentially including demolition.

- ii) *New build in the Trowbridge area and in Chippenham:* Options for green-field sites near Trowbridge are being explored.
- iii) *New build at Chippenham or Rowde with Rowdeford.* With a 200+ place new build in Chippenham/Rowde/Trowbridge having many of the advantages but not the scale of the one-school option, this could be achieved with a minimal level of change at Rowdeford, allowing its retention. Compromises at Rowdeford would still apply as noted in the due diligence work. It would be unusual to have two similar schools so close together (within 2 miles) as with the Rowde option, and the stark choices for parents between an iconic new build and a 200 year-old Regency mansion would need to be managed because of the apparent inequity of provision.
- iv) Chippenham appears a better option than Rowde in this (or the one-school) scenario, for its proximity to town facilities including mainstream schools, and its future as a strategic growth area. Trowbridge might prove to be an option confirmed through consultation.
- v) *New build with Trowbridge split site.* New Build at Chippenham (or Rowde) and Trowbridge - comments as above. This would be the better of the new/old options, providing a more suitable geographical spread, and in fact a substantially new-built provision at Trowbridge. St Nicholas and Rowdeford would cease to operate. The last two options would release sites for other use, the Trowbridge sites probably being the more useable.

3. *Three Schools*

- i) A three school solution provides the option to accept the special schools' proposals, by:
 - relocating St Nicholas in Chippenham with a new build accommodating current numbers and future growth;
 - expanding Larkrise by use of the Ashton St site;
 - addressing maintenance issues at Rowdeford.
- ii) This pattern of provision would reflect the current one, with community links noted particularly in Trowbridge and Chippenham, and could solve the current overcrowding and future growth issues. It would be likely to command support from the current schools' leaders, and would also reflect the fact that in parallel the council is broadly agreeing with other schools' proposals for ASD, SEMH in the north and provision in the south. Reflecting those proposals, schools would see co-ordination arising from the overarching trust-type body suggested by the schools (see para 57).
- iii) The council and stakeholders would need to consider whether this way forward would represent an equitable, pattern of provision, or whether

its diversity was a benefit given the compromises inherent in the maintenance of a special school provision at Rowdeford in particular.

Overview and Scrutiny Engagement

78. Children's Select Committee established a member task group to consider these issues. Presentations were made to the group by officers, visits to schools were undertaken and representations received from stakeholders

Safeguarding Implications

79. There are no anticipated safeguarding issues arising from this proposal.

Public Health Implications

80. The provision of education, especially in a SEND context, positively contributes to population health and wellbeing. Access to education plays a vital role in providing the foundations needed to ensure that pupils have the best start in life, given them the ability to learning and understand about health and wellbeing and have the opportunity to live healthier lives.

Procurement Implications

81. None at this stage; the potential in due course would be for building contracts which would be let according to the council's policies

Equalities Impact of the Proposal (detailing conclusions identified from Equality Analysis, sections 4 and 5)

***Section 4 – Conclusions** drawn about the impact of the proposed change or new service/policy

The main impacts are Wiltshire Council and the Special schools will have clear proposals, understood and influenced by stakeholders, that will mean we are better able to:

- Meet the educational needs of the growing number of children and young people who need a special school place
- Ensure that the right SEN school places are available in the right parts of the county, thus reducing travel time and enabling young people to benefit from their local community and specialist educational provision
- Work together to strategically review, plan and deliver the specialist education that children and young people with SEN need
- Manage the costs associated with increase in demand for special school places

- Meet the responsibilities within the Children and Families Act 2014 to consult on proposals and put forward proposals that will secure and develop quality provision.

The cost of the re-provisioning is significant. However, if this proactive plan is not considered the alternative would be to have no plan, leading to a continued escalation of unsustainable cost leading to more children and young people being placed away from their communities.

The actual proposals will be tackled following this consultation in a separate equalities assessment based on the proposals that are accepted.

***Section 5 – How will the outcomes from this equality analysis be monitored, reviewed and communicated?**

There is set process that is laid out by the DfE regarding how the consultation and how the decision is communicated. The consultation will take place over three months through May 2018 to September 2018.

Consultation responses will then be brought back to cabinet for decision making and will be published through the Wiltshire Council website and to all stakeholders. This will include any information pertaining to equalities.

The overall process will be monitored within the commissioning and directorial responsibilities of the Children and Families services within the Local Authority and is also a matter being taken on by a Scrutiny task group.

Environmental and Climate Change Considerations

82. Any new build ultimately arising from the sequence of events discussed here would be subject to planning, design and building regulations consistent with addressing these factors

Risk Assessment

83. Standard processes will apply – see below.

Risks that may arise if the proposed decision and related work is not taken

84. The risk is that the council would fail in its duty to secure sufficient places for pupils with special educational needs, and would rely on an uncertain future supply of independent special school placements with resulting challenges, tribunals and extra costs, placing an excessive and unnecessary burden on council resources. The potential to significantly worsen the existing overspend of high needs block (estimated at £3-4m/year over this period) is seen as a critical risk which must be addressed by creating local special school provision.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

85. Risk are around managing an interim period of pressure on special school places before new long-term arrangements are in place, around the practicalities of any ultimate building projects, and reputational risks arising from what might be seen as controversial and high-profile policy development and implementation. Effective project management and communications systems will be put in place to mitigate those risks.

Financial Implications

Funding for specialist provision

86. The revenue cost of special school provision is funded from the high needs block of the Dedicated Schools Grant (DSG). The high needs block has been under significant pressure in recent years and has been consistently overspent. This overspend has previously been offset by underspends in other areas of the DSG, however DSG reserves are expected to be substantially reduced at the end of 2017-18 and the implementation of a “hard” national funding formula for schools (expected in April 2020) will reduce any scope for pressures to be offset from the schools block of DSG in future years. As a result any overspend on the high needs block could become a cost pressure for the Council.

87. The table below shows the estimated growth in the high needs block over the period to 2026:

Estimated High Needs Block allocation	Actual	Actual								
	2017-18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Baseline position with proposed national formula	47.148	45.079	47.619	47.619	47.681	47.743	47.903	48.063	48.172	48.281
Additional basic per pupil entitlement for census				0.062	0.062	0.16	0.16	0.109	0.109	0.109
Estimated High Needs Block allocation	47.148	45.079	47.619	47.681	47.743	47.903	48.063	48.172	48.281	48.39

88. In this forecast it is assumed that:

1. The impact of the additional £1.3 billion added nationally is reflected in 2018-19 and 2019-20 but no further national increases to the quantum are assumed after that.
2. Basic entitlement funding of £4,000 (plus area cost adjustment) per pupil in a special school will increase as in house places are provided
3. No increase for population growth or changes to proxy indicators are assumed at this stage however these will be updated each year

89. Capital funding for increases in school places is allocated through the government’s basic need allocation. This allocation covers mainstream schools only and therefore does not cover provision of special school places. Support through s106 agreements is also targeted at mainstream places. Therefore the local authority has no direct source of capital for the provision of special school places.

90. A number of options for sourcing capital will therefore need to be explored, some of which will mitigate the cost to the Council through accessing capital funds from the government or through academy trust partners, or through realising capital receipts from vacated sites, but Cabinet needs to be aware that the full cost of financing the capital development could fall to the Council's general fund and is not currently budgeted for. Potential funding sources for capital include:
- a. Regional Schools Commissioner – not to rule out the free school route which had been available until recently;
 - b. Academies locally include two Wiltshire special schools, which might have access to capital for growth;
 - c. Release of school sites might yield capital receipts, subject to the educational case being made;
 - d. The LA has non-school sites which could produce capital;
 - e. Local Authority borrowing to support the capital programme.
91. It should be noted that the Council has received an allocation of SEN Capital Funding amounting to £800,933 over 3 years from April 2018 to support the provision of places. In the first instance this allocation is to be utilised in the development of ASD/SEMH places in the south of the county. This allocation is clearly insufficient to support the development of new provision outlined in this report.

Revenue Implications of meeting overall demand

92. As detailed in the body of the report, demand modelling for special school places indicates a need for an additional 220 special school places by 2026 for all types of need. Without the provision of additional places within Wiltshire schools demand will need to be met by the independent sector. This would be at a higher unit cost than in Wiltshire schools and there is a likelihood that the current local market would not meet the increase in demand.
93. The table below compares the costs of top-up payments for pupils in specialist provision (in special schools and mainstream) if demand for special school places is met through the development of in house provision with the cost of meeting demand through the independent sector.

Place & Top Up Expenditure Projected on estimated demand										
	2017-18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Projected Spend if no change to in house provision - assumes Special School Place numbers remain constant, additional places purchased from Independent Sector	39.398	40.464	41.530	44.281	47.031	48.905	50.779	52.652	54.526	54.526
Projected Spend if in additional special school places developed within Wiltshire provision	39.398	39.728	40.058	40.910	41.761	42.341	42.921	43.501	44.081	44.081
Estimated Cost Avoided if increase in house provision	0.000	(0.736)	(1.472)	(3.371)	(5.270)	(6.564)	(7.858)	(9.151)	(10.445)	(10.445)

94. The assumptions used in the analysis are:

1. The table shows the costs of all place and top up payments to special and mainstream schools
2. Demand for all other specialist provision (Resource Bases and provision in mainstream schools) remains unchanged – this provision will also be affected by the increase in housing development etc but will be the subject of further reports as strategies to meet demand are finalised
3. It is assumed that provision in the independent sector is unlikely to be met locally and therefore unit costs reflect additional residential costs
4. Costs of in house provision are calculated at the current average cost for day provision in Wiltshire special schools
5. Other spend from the high needs block, such as spend on alternative provision and staffing, is not included here. The total spend on other high needs block functions is approximately £9 million.

95. Using this model it is estimated that through developing special school provision within Wiltshire to meet the increase in demand, revenue costs of up to £10.4 million would be avoided over the period to 2026, with in house provision continuing to be at lower cost beyond that. The report details how provision in the south of the county is expected to be developed with academy partners and proposes the development of an increase in special school places from complex provision in the north to the county.

Revenue Implications of this Proposal

96. The proposals in this report for a 350 place complex needs school in the north of the County are designed to provide 50 of the additional places required to meet demand, and to address the estates issues in the existing schools

97. The revenue implications to the Council of all options being considered to deliver these 50 places are considered to be the same. The options being considered all look to provide 350 places in Wiltshire special schools, which represents an additional 50 places compared with current complex needs

provision in the north. The costs to the Council of the additional places would be 50 places at £10,000 per place plus a top up payment per pupil. The average top up payment for Wiltshire special schools is estimated at £11,285 although individual payments vary according to complexity of need. Top up payments are only paid when a pupil is on roll in a school. This compares to an average cost in the independent sector of £68,000 (assuming an element of residential provision). Over the same period demonstrated in the overall model, with the same profiling of places coming on stream, this proposal would lead to costs avoided of £3.4 million to 2026 for these 50 places. Ongoing savings are approximately £2.4m per annum

98. Whilst the revenue cost to the Council of the different options would be the same, it is expected that larger schools could achieve efficiencies and economies of scale, particularly in back office costs and management structures, compared with the current small schools.
99. It is likely that there would be set up costs associated with the establishment of a new school that might require some up-front funding of a number of places prior to pupils occupying the site. This would need to be met from the high needs block. Set up costs may vary according to a 1 school or 2 school option, with a two-school model likely to be more costly.
100. The impact on home to school transport costs would also need to be understood as proposals are developed and sites for the new schools identified. The cost of home to school transport is met from the council's budget.
101. Capital financing costs would also be a revenue cost pressure to the Council depending on the sources of capital. These are assumed at approx. 10% of the amount borrowed.

Capital Costs

102. Capital investment would be required in order to develop provision to meet demand. It is estimated, based on benchmarking of costs against other special school builds, that the net capital exposure could be in excess of £20-£40 million depending on realisable capital receipts and the number of schools to be built.
103. An initial assessment of the capital implications can be summarised as follows:

	350 place school	2 schools with Rowdeford remaining	3 schools – relocate St Nicholas and Larkrise, Rowdeford remain
Estimated net capital cost (depending on realisable receipts and estimated costs of single versus multiple site build)	£20-28m	£29-£43m	£27-£42m
Other opportunity costs/savings	May release other sites eg Ashton Street for development May free up site for primary provision in Trowbridge	May result in Ashton Street not released for development	Ashton Street site not released for development and less efficient use of site for fewer places

Overall Cost Summary

103. The following table summarises the costs and savings associated with the proposed options outlined in this section

Overall Summary of costs to meet demand for Complex Needs in North of County (50 additional places)				
	Independent Sector provision	350 place school	2 schools with Rowdeford remaining	3 schools – relocate St Nicholas and Larkrise, Rowdeford remain
	£m	£m	£m	£m
Revenue Cost per annum of 50 Additional Places per annum	3.438	1.064	1.064	1.064
Cost avoided 2018-19 to 2026-27		(3.371)	(3.371)	(3.371)
Ongoing revenue cost avoided per annum for full 50 places		(2.374)	(2.374)	(2.374)
Estimated net capital cost (depending on realisable receipts and estimated costs of single versus multiple site build)		£20-28m	£29-£43m	£27-£42m
Approximate annual Costs of Borrowing (based on mid range capital cost)		2.400	3.600	3.500

Legal Implications

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104. Changes in school provision are subject to legal processes where there is a “significant change in character”, school closure or establishment.
105. In this case the proposals relate to building capacity for the future in the north of the County and it is appropriate to ensure that Cabinet are fully informed to enter into a pre-statutory consultation phase and is consistent with the SEND Code of Practice (2015) expectation to consult and engage with parent/carers on any development and change of practice.
106. Throughout this process regard must also be had to the Council’s statutory Public sector equality duties under section 149 of the Equality Act 2010.

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