



Author/Lead Officer of Report: Nicola Shearstone
Tel: 07917 077541

Report of: *Executive Director, People Services*
Report to: *Co-Operative Executive Board*
Date of Decision: *16th of March 2022*
Subject: *Secondary Mainstream School Expansions Update*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>Education Children and Families</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Children, Young People and Family Support Scrutiny and Policy Development Committee</i>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>People/HA/BK/050521.</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		

Purpose of Report:

The report outlines the position relating to mainstream secondary school & Special Educational Needs and Disabilities (SEND) places in Sheffield over the coming years. This paper also highlights the capital funding pressures relating to the delivery of statutory duties in relation to the provision of mainstream and SEND places.

The purpose of the report is to seek Co-operative Executive approval for the use of Basic Need funding, alongside corporate financial support, to address the pressures on school places to deliver permanent and temporary secondary provision. This would include the potential expansion of two secondary schools in the southwest (SW) of the city and temporary expansions in specific parts of the city. This would also include the development of five integrated resources (IRs) to

support an increase in SEND places.

Recommendations:

That the Co-operative Executive:

- I. In relation to the proposed expansion projects at Silverdale and King Ecgbert Schools:
 - a. note the recommendations on the Capital Approvals report (elsewhere on the agenda) to proceed with the projects at an anticipated total cost of £12.8 million, and
 - b. approve that any shortfall from government funding allocations be met from the Corporate Investment Fund;
- II. Approve the use of Basic Needs funding to develop options to meet the pressure on secondary school places in specific parts of the city in 2023/24, with any shortfall from government funding allocations to be met from the Corporate Investment Fund;
- III. Approve £1 million Corporate Investment Fund cash flow funding for the development of five integrated resources (IRs) to support an increase in SEND places.

Background Papers:

Form 2 Cooperative Executive report which was submitted and approved on the 17th of November 2021.

Appendix 1 – breakdown of capital costs for the schemes discussed in this paper.

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Damian Watkinson</i>
		Legal: <i>Nadine Wynter / Tim Hoskin</i>
		Equalities: <i>Bashir Khan</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	EMT member who approved submission:	<i>John Macilwraith</i>
3	Cabinet Member consulted:	<i>Cllr Jayne Dunn</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any	

additional forms have been completed and signed off as required at 1.	
Lead Officer Name: <i>Nicola Shearstone</i>	Job Title: <i>Head of Commissioning for Prevention and Early Intervention – All age</i>
Date: <i>14th of February 2022</i>	

1. PROPOSAL

- 1.1 The Authority has statutory duties under the Education Act to ensure sufficient school places, and to promote parental choice, diversity and fair access. This means providing a school place for every child when pupil populations are high and managing excess surplus places when they fall. The Authority also has a statutory duty to secure the special educational provision specified in an Education, Health and Care Plan (EHCP) pursuant to section 42 of the Children and Families Act 2014. Where an EHCP specifies a special school placement or a mainstream school placement with an Integrated Resource Unit this must be provided.
- 1.2 The report submitted and approved to the Cooperative Executive Board on the 17th of November 2021 outlined the pressures on secondary school places in the city, particularly in the SW of the city, between now and the turn of the decade.
- 1.3 Following the national picture, births in Sheffield rose by 25% between 2002 and 2012. This increase in population is now coming through into the secondary sector, and school places have been at or near full capacity since 2018/19. Mainstream demand is not evenly distributed across the city & pressure is greatest in the SW of the city. There is a pressure on secondary school places by local children who live within this catchment area and this is forecast to continue until the end of the decade.

Mainstream Places

- 1.4 In October 2020, the DFE provided £14.67m of future Basic Need capital funding to address mainstream school places sufficiency concerns. However, due to the utilisation of SCCs own resources to cash flow the previous major round of school places expansion £6.1m of this funding was already committed.
- 1.5 Permanent mainstream expansion plans are under consideration at Silverdale and King Ecgbert Schools as part of the allocation and feasibility studies have been developed for both sites. The proposals would support the development of 535 Year 7 to 11 places in the SW of the city, contributing to meeting the local demand. Recognising the demand moving through the school into post 16, each scheme would deliver a number of post 16 places. The two Trusts have agreed to have some SEND provision as part of these developments. The offer of additional Integrated Resource places and Post 16 SEND places helps meet a significant pressure on SEND sufficiency, and this will help the Local Authority fulfil its statutory duties in this area.

- 1.6 Furthermore, approximately £1.5m of the Basic Need allocation is required for potential temporary expansions required to deliver mainstream secondary places in specific parts of the city in 2023/24 onwards.
- 1.7 The development of these places should be seen in the context of addressing a city-wide deficit in secondary school places in the 23/24 academic year onwards.

Special Educational Needs and Disabilities (SEND)

- 1.8 SEND is an area of the system which is also under significant pressure. In the last two years, over 200 additional places have been created, an increase of over 20%, yet provision of places remains a significant challenge.
- 1.9 This challenge is reflected nationally – the number of children in specialist settings has risen by 27% since 2014 and continues to increase. It is currently forecast that demand for special school places will rise by 30% over the next five years, and this could rise to 50% in a worst-case scenario. This means at least 300 additional places are needed based on the potential rise in demand of 30%.
- 1.10 As part of the sufficiency response a number of interventions have already been put in place or are in delivery such as the provision of an additional 50 places at the Talbot site. This has already required the utilisation of £1m of High Needs revenue funding and £2.8m corporate cash flow over and above the current central government funding.
- 1.11 In addition, growth of IRs has been identified as a key approach for provision of places. IRs are dedicated spaces in mainstream schools for complex SEND learners – they split their time between mainstream classes and receiving support in the IR. Consequently, an IR needs physical space and adaptations to cater for needs such as sensory to be successful.
- 1.12 An expression of interest process has been undertaken with schools, consequently five IRs are currently under development; these will provide 56 places. However, feasibilities have identified capital costs which are outside the current SEND capital budget envelope, this is outlined in the financial section and in **Appendix 1**.
- 1.13 These IR places would support the LA in meeting the growing demand for specialist provision and in particular the pressure on places in 22/23 academic year.
- 1.14 The next SEND capital funding allocation from central government is anticipated to be confirmed in March 2022.

Proposals

- 1.15 Mainstream: officers are overseeing the mainstream proposals and working collaboratively with the two Trusts to ensure the expansions meet the necessary requirements and ensure value for money is achieved. To allow sufficient time for delivery of schemes within timescales for September 2023, capital approval is required to kickstart lengthy processes such as: planning permission, tendering, PFI negotiations, construction etc.

- 1.16 SEND: Support is also required for specialist provision, in particular for the 22/23 academic year, as five IRs are currently under development.
- 1.17 The financial impact of these proposals to the council's respective budgets are highlighted in the Financial and Commercial Implications section below.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 As part of laying the foundations for our future, we want pupils in Sheffield to have access to a wide range of educational opportunities to achieve their full potential as set out in the 'Our Sheffield: One Year Plan'. Working alongside city partners such as schools and Trusts, with ambition, openness and purpose, towards a bright future for our city and its pupils.
- 2.2 The proposals will ensure that the LA meets its statutory duties under the Education Act to provide sufficient school places, promote parental choice, diversity and fair access & also its statutory duties to secure the special educational provision specified in an EHCP pursuant to section 42 of the Children and Families Act 2014.
- 2.3 Ensuring that there are enough school places for every school-age child is a fundamental responsibility of local government and is essential to the Sheffield City Council's focus on enabling children to have a great start in life, achieve their full potential, and contribute to the success of the city. At the heart of the vision for increasing school places in Sheffield is the Council's role in guaranteeing excellent education outcomes and equitable access for all.
- 2.4 The vision is for all Sheffield families to have access to great, inclusive schools in every area of the city. This means schools ensuring each child reaches their potential, equal access for the most vulnerable children, schools at the heart of their communities, and getting the best value from all funding opportunities. The expansions will contribute to:
- Demand for places: without additional places in the area, families will be significantly impacted as they will not be able to access a local place and this will also impact neighbouring schools.
 - Children's outcomes: the standard of education that are provided at the two schools is of a high quality – both schools are rated by Ofsted as "Outstanding".
 - Equality: the inner-city school catchment areas are characterised by deprivation and a higher proportion of BME population. By increasing places at these two schools the needs of all children are met, in particular the needs of more vulnerable children and families located in the inner-city areas.
- 2.5 By expanding the two mainstream schools, the plan proposed would provide sufficient secondary places for the SW of Sheffield into the next decade without creating over capacity within the school system.
- 2.6

Furthermore, the development of the five IRs would support us to meet the growing demand for specialist provision and in particular the pressure on places in 22/23 academic year.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Officers have been working with the Secondary Heads Partnership group to identify appropriate interventions both in the short and longer term to address the increasing demand in school places. The group acknowledge that permanent expansions of schools in the SW are required to address the high demand in the area.
- 3.2 The development of additional school places has a consultation process that will be followed. All proposals outlined would be subject to consultation and would follow the relevant statutory process. This will mean the publication of statutory proposals relating to the changes as part of this process.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 The SW neighbourhoods closer to the city centre are characterised by deprivation and a higher proportion of BME population. Typically, the SW schools are located in the more advantaged suburban areas and have catchment areas that slice in towards the city centre meaning each secondary school has an element of mixed socio-economic intake. If additional places were created to address the rising demand by commissioning permanent expansions in the SW, inner-city catchment children would be more able to obtain a place at these schools maintaining diversity in these schools. The inner-city areas are furthest away from the SW schools' locations, therefore insufficient places at SW schools would mean inner-city children would be the first to miss out. The intakes of SW schools are skewed towards the more advantaged, suburban areas as the key admissions tie-breaker is distance and the inner-city areas are further away from the SW schools. The lack of places in this area would drive further inequality socio-economic divide in the city.
- 4.1.2 Pupils with special needs can and do fit in a mainstream school and the importance of this experience is invaluable. Mainstream school introduces SEN pupils to a range of different people with varying abilities and needs, which most closely replicates the people and environments they will encounter throughout their lives. The development of proposals which include SEND elements will support the wider SEND sufficiency plan which is aiming to ensure sufficient provision city wide and support the development of SEND pupils.

4.2 Financial and Commercial Implications

- 4.2.1 As reported previously to the Co-operative Executive in November 2021, initial budget estimates for the expansions of mainstream school places at Silverdale and King Ecgbert Schools (alongside an estimated £1.5m required for other temporary

expansions) indicated an overall shortfall of Basic Need Funding from central government of £1.5m. Therefore, Corporate Investment Fund (CIF) support to this was agreed. However, the sale of surplus caretaker properties was also proposed to offset this, reducing the ask to a potential £0.74m.

- 4.2.2 In addition, further corporate cashflow of £2.9m was also agreed to support the development of SEND places on the Talbot site, to meet a shortfall in central government funding for the provision of these places.
- 4.2.3 However, following further detailed feasibilities the estimated costs of the SW schools schemes has increased by £3.08m to £12.85m. The original indicative budget was based purely on a likely build area taken from a desktop assessment. This was before a location for the build was identified, site conditions were assessed and before a design had been produced. We now know that the King Ecgbert site suffers from abnormal ground conditions (sloping site, made ground, building on footprint of previous school) and Silverdale requires some internal remodelling works which was not factored in previously. COVID-19 and Brexit has also had significant impact on the market in terms of supply of labour and material cost.
- 4.2.4 In addition, there has been identified a further immediate requirement to develop increased SEND IR places to meet pressures at an estimated cost of approx. £1m.
- 4.2.5 The impact of these changes on the funding requirement of school places expansion overall is shown in tables below:

	Initial Estimates November 21 (£m)	Revised Costs February 22 (£m)	Change
SCHOOLS BASIC NEED FUNDING (Mainstream School Places)			
Brought Forward Balance 21/22	(7.90)	(7.90)	-
Basic Allocation 21/22	(4.62)	(4.62)	-
TOTAL AVAILABLE 21/22	(12.51)	(12.51)	-
Committed Spend on existing schemes	2.73	2.73	-
Estimated costs Silverdale	6.30	7.35	1.05
Estimated costs King Ecgbert	3.47	5.50	2.03
Allowance for City Wide Temporary Expansions	1.50	1.50	-
TOTAL FUNDING REQUIRED	14.00	17.08	3.08
Anticipated Income from sale of surplus caretaker properties	(0.75)	(0.75)	-
Balance Required from CIF	0.74	3.81	3.08

**SEND CAPITAL FUNDING
(Special Educational Needs Places)**

Current DFE funding available	(2.82)	(2.82)	-
Service Revenue Contribution	(1.00)	(1.00)	-
TOTAL REMAINING	(3.82)	(3.82)	-
Committed Spend on existing schemes	3.35	3.35	-
Immediate Requirement to deliver Talbot Scheme	3.38	3.38	-
Immediate Requirement for new Integrated Resources	-	1.00	1.00
TOTAL FUNDING REQUIRED	6.73	7.73	1.00
Balance Required from CIF	2.91	3.91	1.00
TOTAL CIF REQUIREMENT	3.64	7.72	4.08

4.2.6 It is likely that confirmation of a 2022/23 SEND capital allocation will reduce the requirement for CIF support for the immediate demand. However, it is unlikely that any future central government allocations will be sufficient to meet the estimated £30m cost of addressing increasing pressures in the sector of the next 5 years.

4.2.7 It has already been confirmed that there will be no further Basic Need Funding allocation to Sheffield in 22/23 and the likelihood of future allocations is highly uncertain due to the methodology used when DfE advanced funding towards the expansion of the Southwest schools.

4.2.8 To be able to progress with the delivery of the expanded school places at King Ecgbert and Silverdale Schools and the development of additional SEND IR placements to meet September 2022 pressures, there is a requirement to underwrite the overall School's Capital Programme from the Corporate Investment Fund by up to £7.7m.

4.3 Legal Implications

4.3.1 To meet its statutory duty under section 14 of the Education Act 1996, as amended, the Local Authority has a key role in securing funding to provide sufficient education provision in schools. The Secretary of State for Education assists local authorities with this duty by making grant determinations under section 31 of the Local Government Act 2003. All proposals outlined in this report would be subject to consultation and would follow the relevant statutory process and approval route. This will include the publication of statutory proposals relating to the changes as part of the consultation process. Any legal implications will be considered at that time.

4.4 Other Implications

4.4.1 No further implications have been identified.

5. ALTERNATIVE OPTIONS CONSIDERED

Do nothing

- 5.1 This option has been ruled out as the LA would be in breach of its statutory duties under the Education Act to ensure sufficient school places, promote parental choice, diversity and fair access & also its statutory duties to secure the special educational provision specified in an EHCP pursuant to section 42 of the Children and Families Act 2014.

5.2 SW schools offer places above current admission numbers

This will involve negotiating with SW schools to accommodate the shortfall of places. Schools may be provided with Growth Funding as they have agreed to offer above current admission numbers on a temporary basis to provide a flexible solution that meets the Year 7 demand in the short term. This may reduce the threat of overcapacity in later years towards end of the decade also. However, SW schools will not be able to absorb the increasing demand over the next decade within existing accommodation as they are already near full capacity due to compounding effect of offering places above Pupil Admission Number the past few years. Health & Safety concerns around overall building capacity – corridor space etc - have also been highlighted to the Authority. There is a high risk that the Authority will be unable to fulfil its statutory duties if the required places are not offered by the SW schools.

City wide allocation

- 5.3 This would involve allocating pupils who are unable to obtain a place at a local school to travel outside of their local area/catchment to access a place in other parts of the city where places are available. This would keep a tight system as city moves into a surplus in future years and reduces need to invest substantial capital funding.
- 5.4 However, this could have a disproportionate impact on families. SW schools will have a less balanced socio-economic intake as children from deprived inner-city areas in the SW may miss out on admission to SW schools. This risks significant appeals from parents and puts pressure on schools outside of SW. If parents are successful on appeal, SW schools risk unplanned numbers through this process and have a further compounding effect on the overall capacity of the school. This would also have a greater level of impact on transport, impact on environment, cost for LA to transport these pupils out of area and cost to parents.

Independent school placement

- 5.5 Alternative options for SEND would involve placing children and young people in special school instead. This would likely result in increased high-cost independent placements, as some children and young people would not be able to be accommodated, due to limited capacity in the special school sector.

6. REASONS FOR RECOMMENDATIONS

6.1 The preferred option is to:

- I. In relation to the proposed expansion projects at Silverdale and King Ecgbert Schools:
 - a. note the recommendations on the Capital Approvals report (elsewhere on the agenda) to proceed with the projects at an anticipated total cost of £12.8 million, and
 - b. approve that any shortfall from government funding allocations be met from the Corporate Investment Fund;
- II. Approve the use of Basic Needs funding to develop options to meet the pressure on secondary school places in specific parts of the city in 2023/24, with any shortfall from government funding allocations to be met from the Corporate Investment Fund;
- III. Approve £1 million Corporate Investment Fund cash flow funding for the development of five integrated resources (IRs) to support an increase in SEND places.

6.2 The above has been chosen because it helps ensure that the Authority's statutory duties relating to mainstream and SEND place are met, improves outcomes for pupils in the southwest of the city and also offers the potential to recoup funds through the sale of caretaker properties across the city.

6.3 The intended outcomes are:

- Development of permanent and temporary secondary provision in the city by utilising future Basic Need funding to meet statutory duties
- Development of IR provision to support the SEND strategy across the city
- Reimburse the corporate investment through the sale of caretaker properties