

North Somerset Council

Report to the Children & Young People's Services Policy and Scrutiny Panel

Date of Meeting: 20 October 2022

Subject of Report: Children & Young People's Services – School's Capital Programme

Town or Parish: All

Officer/Member Presenting: Sheila Smith, Director of Children's Services

Key Decision: Yes

Reason: It affects more than one ward and the schemes, in total, exceed £500,000.

Recommendations

That the Panel notes the progress made on schemes to date and comments, if required, on future plans.

1. Summary of Report

- 1.1 The DfE announced the Basic Need allocations for the 2023/24 and 2024/25 financial years; the Special Provisions High Needs grant payments for the 2022/23 and 2023/24 financial years and the School Condition Allocation for the 2022/23 final year on 28 March 2022. Details of these grants are listed below:

Allocations				
	2022/23	2023/24	2024/25	Totals
Basic Need	£ -	£ 6,694,758.00	£ -	£6,694,758.00
School Condition Allocation	£ 355,250.00	TBA	TBA	£ -
Special Provisions High Needs	£ 1,696,470.00	£ 2,713,824.00	TBA	£4,410,294.00
Totals	£ 2,051,720.00	£ 9,408,582.00	£ -	£11,083,946.00

- 1.2 Members are asked to note the allocations and past and future spend opportunities.

2. Policy

- 2.1 Basic Need allocations are paid to local authorities (LAs) to support the capital requirement for providing new mainstream pupil places. This can include expanding

existing maintained schools or academies or creating new schools via competitions. Whilst the funding is un-ringfenced capital and it is not time-bound, LAs are required to make the best decisions for their local area and meet their legal duty to secure sufficient places for their residents. Local authorities have a statutory responsibility to ensure there are enough school places available in their area for every child aged 5 to 16 needing one, as set out under section 14 of the 1996 Education Act.

- 2.2 School Condition Allocations (SCA) are paid to Local Authorities to support the maintenance of community and voluntary controlled schools. The DfE updates allocations annually to reflect new or closing schools, and where a school has moved to a new SCA responsible body. Allocations to local authorities also include a small amount of funding for Sure Start centres.
- 2.3 This Council has an agreed policy not to fund schools who have an Academy Order in place stating their intention to convert to academy status. Until they have converted, the LA still receives funding within its SCA for the school.
- 2.4 The Education Act 1996 sets out a statutory duty on local authorities (LAs) to secure sufficient school places, which they must do about securing special educational provision for children and young people with special educational needs and disabilities (SEND) as well as those requiring alternative provision (AP). The Children and Families Act 2014 also places important statutory responsibilities on LAs for supporting children and young people with SEND, including keeping the sufficiency of educational provision for them under review.
- 2.5 The High Needs Special Provisions Fund should be used primarily to meet the capital costs associated with providing new places and improving existing provision, for:
 - Children and young people with complex needs, who have Education, Health and Care plans (EHCPs), and where appropriate other children and young people with SEND who do not have an EHCP; and
 - Pupils who require alternative provision (including children in AP settings without an EHCP).

3. Details

Basic Need

- 3.1 The Basic Need allocations for the 2023-24 financial year are based upon the projected need for new places by September 2024 (the start of academic year 2024/25). The allocations for the 2024-25 financial year are based upon the projected need for new places by September 2025 (the start of academic year 2025/26).
- 3.2 North Somerset's allocations have been based on data provided by North Somerset in our 2021 School Capacity (SCAP) survey submission. The DfE have provided funding to create additional places as below:

	2022/23	2023/24	2024/25
Primary Places	0	7	0

Secondary Places	0	291	0
Total Places	0	298	0

3.3 The 298 places listed above are from the following areas:

Primary			
School Cluster	Places Funded	Actions required	Recommendations
Backwell A group (Long Ashton/Flax Bourton)	4	None – these pupils can be accommodated within existing provisions	To keep places in these clusters under review
Backwell C group (Backwell)	2		
Gordano/Pill	1		

Secondary			
Planning Area	Places Funded	Actions required	Recommendations
Clevedon	127	Create extra provision	See 3.5 below
Portishead	94	Provision already provided	See 3.5 below
Backwell	44	Use resources towards new provision in the areas of new growth	See 3.5 below
Churchill	24		
Pill	2	None – these pupils can be accommodated within the existing provision	See 3.5 below

3.4 Funding was calculated by the DfE, rounded up, as:

	Per place	Places Funded	DfE Calculation
Primary	£17,552.89	7	£130,048.76
Secondary	£22,553.42	291	£6,564,709.27
Total			£6,694,758.03

3.5 Based on the above data, the cluster allocations are as below. It is recommended that the 2023/24 funding is allocated across both the 2023/24 and 2024/25 financial years as follows:

	2022/23	2023/24	2024/25
Primary			
		£130,048.76	

Rationale	Retained for the possible allocation to breach classes in 2023/24 and 2024/25 as required as excess demand should be accommodated within current strategies in place.		
Secondary			
Clevedon		£2,865,010.78	
Portishead – to be held			£2,120,559.16
Backwell – to be held			£992,602.16
Churchill – to be held			£541,419.36
St Katherine’s – to be held			£45,118.28
Total		£2,865,010.78	3,699.698.96
Rationale	<p>2023/24 spend</p> <p>We have been working with Clevedon School to resolve their capacity shortfall and had submitted a case with the SCAP return for capital support. This money should support an expansion of Clevedon School’s buildings to work towards their physical capacity matching their Funding Agreement capacity. *</p> <p>2024/25 spend</p> <ul style="list-style-type: none">• We have already worked with Gordano School to provide the capacity needed to meet demand during this period via a permanent (£4.230m) expansion scheme and breach expansions (£150k) in 2016; 2021 and 2022. This funding should be retained as unallocated for review in 2023/24 or used as a contingency for a scheme at Clevedon if required• Backwell/Churchill - This combined funding of c £1.53m should be allocated to the Local Plan solution for new provision in or around Yatton• St Katherine – as a net importer of pupils, we have sufficient places for North Somerset residents provided they name the school as one of their preferences <p>Secondary Breach classes - For the secondary phase, the Backwell and Portishead clusters allocate some places to pupils from outside the district so there should be sufficient places. St Katherine’s is a net importer of pupils from Bristol. The changes recommended for Clevedon should enable them to accommodate all local pupils and prevent an admissions consultation to decrease their Planned Admission Number (PAN) from 240 to 210 due to accommodation capacity and timetabling concerns.</p>		

*In the past Clevedon School has operated with a Number on Roll lower than the PAN and overall site capacity. Numbers are now increasing so that the lower years are at the limit of the PAN in these cohorts. The school is finding it increasingly difficult to accommodate the growing numbers of pupils and had commissioned an independent Capacity Analysis, which has calculated a capacity of 1245 places. The Funding Agreement states 1,200 years 7 – 11 places plus 6th form of c 200.

School Condition Allocations

- 3.6 Basic Need allocations are not directly intended to address other capital needs, such as maintenance/condition work, high needs provision, or new nursery/post-16 provision. In planning capital projects, the DfE expects LAs to think strategically and consider economies of scale or efficiencies that may be achieved such as by combining condition works and expansion schemes.

- 3.7 Schools and those responsible for school buildings are eligible for either a School Condition Allocation (SCA) or Condition Improvement Fund (CIF) grant.

North Somerset is, as at 1 April 2022, responsible for 9 maintained schools across 10 buildings. To assist with the maintenance of these sites we had been allocated, based on a formula, £376,356 of SCA. With the transfer of St Andrew's C of E Primary to the Lighthouse Schools Partnership on 12 April 2022, this funding has now been reduced to £355,250. As each school converts to academy status, the SCA allocation is reduced. The current allocation includes a transitional protection funding element. We have received the same protected allocation for the last 3 financial years.

The DfE intends to further reduce the level of protection offered by 25% points per annum until 2025-26, when no protection will remain. The exact methodology for calculating SCA in future years is yet to be confirmed.

- 3.8 Details of the conditions of grant can be found at [Condition funding methodology 2022 to 2023 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/2022-03-23/condition-funding-methodology)
- 3.9 Academies are allocated funding via the CIF. Allocations to local authorities also include a small amount of funding for Sure Start centres, although this is not specified.
- 3.10 This Council has an agreed policy not to fund schools who have an Academy Order (AO) in place stating their intention to convert to academy status. Until they have converted, the LA still receives funding within its SCA for the school. Many of our remaining schools are in a poor state of repair.
- 3.11 The DfE expects LAs to 'treat schools considering conversion fairly, including by investing in high-priority condition issues and honouring any commitments of capital funding that they have made. On conversion, at a minimum, schools should be in a safe condition with no health and safety or regulatory compliance issues.'
- 3.12 Some Multi-Academy Trusts (MATs) have been reluctant to receive maintained LA schools into their MAT without their buildings being upgraded beforehand. New schools open with academy status and schools that had been recently upgraded often transfer to a MAT once building delivery or upgrades are complete. Nationally and locally schools many schools within Council control have a disproportionate maintenance need requirement when compared to other local schools. This is the case for a few remaining maintained schools in North Somerset. Irrespective of the status of a school, the children attending schools are predominately North Somerset residents.
- 3.13 At the time of writing this report the Council is responsible for Banwell Primary School. This school is moving towards academy status but requires significant

maintenance upgrades. To date we will have received SCA funding for the school and we responsible for its condition and major repairs. Parts of Banwell Primary School, that has an AO in place, have been condemned. Whilst the school remains as a maintained school, the Council has a duty to ensure its buildings are safe. For this reason, Executive approval is being sought to deliver a replacement project at this site at an indicative cost of £1.1m. This is to be funded from council reserves/borrowing as the SCA is insufficient to cover these costs.

In the past the Council contributed to capital upgrades at Blagdon Primary and Uphill Primary Schools as part of the transfer negotiations due to urgent health and safety requirements at these sites for which the Council, prior to transfer, was responsible.

- 3.14 Kewstoke Primary Schools also has considerable maintenance issues but currently does not have an AO in place. The DfE is keen for all schools to join a Multi-Academy Trust (MAT) by 2030 at the latest and undertaking work at this school may be required to facilitate an academy transfer in the future.
- 3.15 Our capital maintenance priorities in 2022/23 and 2023/24 are being assessed by colleagues in the Place Directorate and a programme of assessment is now underway but not yet fully in place. Condition surveys were last completed in the summer of 2020, and these are informing the 5-year condition upgrade programme. Until this is complete it is not possible to report fully on the future needs and priorities for the remaining LA schools. Indicative figures are given below that will need to inform a directorate bid for council borrowing as part of the Council's budget setting processes for the 2023/24 financial years and thereafter.

		£ p						
		Emergency	Year 1	Year 2	Year 3	Year 4	Year 5	Total
		22/23	23/24	24/25	25/26	26/27	27/28	
School Inspection repair costs (all sites)		£1,071,846.98	£1,011,766.03	£125,007.68	£305,797.23	£685,719.45	£102,108.42	£3,302,245.78
Inflation		£125,909.74	£188,944.26	£28,239.69	£81,975.76	£204,476.58	£33,831.10	£663,377.13
Contractor Prelims allowance	7.50%	£89,831.75	£90,053.27	£11,493.55	£29,082.97	£66,764.70	£10,195.46	£297,421.72
Contractor OHP	7.40%	£95,281.55	£95,516.50	£12,190.83	£30,847.34	£70,815.09	£10,813.99	£315,465.30
R&D Surveys/Removals		£100,000.00	£50,000.00	£50,000.00	£50,000.00	£50,000.00	£50,000.00	£350,000.00
Contingency/Risk	10.00%	£148,287.00	£143,628.01	£22,693.17	£49,770.33	£107,777.58	£20,694.90	£492,850.99
P&AM Fee	12.50%	£185,358.75	£179,535.01	£28,366.47	£62,212.91	£134,721.98	£25,868.62	£616,063.74
CYPS Fee	1.75%	£25,950.23	£25,134.90	£3,971.31	£8,709.81	£18,861.08	£3,621.61	£86,248.92

		£1,842,465.99	£1,784,577.97	£281,962.70	£618,396.36	£1,339,136.46	£257,134.10	£6,123,673.59
Total								
Running total			£1,842,465.99	£3,627,043.97	£3,909,006.66	£4,527,403.02	£5,866,539.48	£6,123,673.59

- 3.16 The SCA allocation of £376,356 and reducing each year cannot cover the cost of condition works that total £6.1m over 5 years. Capital Borrowing commitments were secured at Council on 2 February 2021 as part of a £3.445m commitment to upgrade the corporate estate. (See [Committee Report NSC \(modern.gov.co.uk\)](#) Appendix 2, table 2.1). Children's Services had indicated at that time that at least £1.5m should be allocated to schools and it is this resource that is being identified to pay for the scheme at Banwell Primary School (£1.1m) and that paid for a site safety scheme at the Voyage Learning Campus (VLC) in 2021 to ensure this school's buildings were Covid compliant. The latter cost in the region of £300,000.

The School Rebuilding Programme

- 3.17 The School Rebuilding Programme is a DfE programme to provide 500 major rebuilding and refurbishment projects at the worst buildings in the school and sixth form college estate across England over the next decade. LAs were offered the opportunity to bid for funds based on DfE centrally held data and our updated reports of poor condition in March 2022.
- 3.18 The Council submitted bids for four of our schools where the building condition need is considered so severe that there is an imminent risk of closure. All bids were based on the condition of demountable buildings at, in priority order:
- Banwell Primary
 - Wrington Primary
 - Ravenswood School
 - Kewstoke Primary

The DfE have visited three of the above four sites and outcomes are expected in the autumn/winter 2022.

- 3.19 If the bids made under the School Rebuilding Programme are successful, the Council would have to pay £65,000 per site for the removal and disposal of the existing demountable buildings, including site preparation which would fall outside the qualifications for the bids.

School Devolved Formula Allocations

- 3.20 All schools receive a small, devolved capital (DC) allocation to assist with ongoing repairs and maintenance. The individual school DC allocations in 2022/23, paid directly to the maintained schools we are responsible for, are as below:

	£
Banwell Primary	5,834
Churchill C of E Primary	6,228
Golden Valley Primary	8,635

Kewstoke Primary	4,983
Wrington C of E Primary	6,273
Baytree Special	7,620
Ravenswood Special	10,429
VLC – Milton and Oldmixon sites	7,594
Westhaven Special	13,315

- 3.21 Every eligible school gets a fixed sum, and a variable amount based on pupil numbers. Pupil numbers from the 2021 spring school census inform the next years allocation.

Special Provisions High Needs

- 3.22 In March 2022, the Department for Education announced High Needs Provision Capital Allocations (HNPCA) for the 2022/23 and 2023/24 financial years. HNPCA is paid to LAs to support the provision of places for children and young people (CYP) with special educational needs and disabilities (SEND) and those pupils requiring alternative provision (AP).
- 3.23 Unlike Basic Need allocations for mainstream places, where allocations are based on data provided by the LA, the DfE does not centrally hold comprehensive data on local demand for SEND provision. Grant allocations have been based on:
- 75% based on estimated growth in demand for High Needs (HN) provision
 - 25% the LA's estimated population of Children and Young People who need High Needs provision

The estimated growth in demand for High Needs (HN) provision is obtained from a comparison of projections for Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) pupils for the 2022/23, 2023/24 and 2024/25 academic years, derived from actual pupil numbers and historic Education, Health and Care Plans (EHCP) and AP rates. These same pupil projections are also used to allocate the size component of the allocation. Estimates of future pupil growth account for additional High Needs capacity provided through centrally delivered free schools.

- 3.24 Guidance on the allocation of the HNPCA is available at [High Needs Provision Capital Allocations Guidance \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/guidance/high-needs-provision-capital-allocations)
- 3.25 Until the 2019/20 financial year LAs had not received capital allocations for SEND places. This continuation in funding is intended to provide a transformational investment in new High Needs provision and there is an expectation that Council's will collectively deliver tens of thousands of new places, supporting learning in both mainstream and special schools/hubs.

Funding beyond 2025 is contingent on the outcomes of future Spending Reviews and additional capital funding beyond this period cannot be guaranteed. It is therefore critical that prudent decisions are taken now to ensure the sustainability of the system for the longer term.

- 3.25 The HNPCA can be used to:
- improve the suitability and accessibility of existing buildings

- creating new special and AP free schools

The overall aim is to help drive up standards in special education and to assist with delivering new places needed for September 2023 and September 2024 respectively. The funding is un-ringfenced (subject to certain conditions, as set out in the published Grant Determination document) and it is ultimately for LAs to determine how to best use the funding to meet local priorities.

- 3.26 Funding should be used primarily to meet the capital costs associated with providing new places and improving existing provision, for:
- Children and young people with complex needs, who have Education, Health and Care plans (EHCPs), and where appropriate other children and young people with SEND who do not have an EHCP; and
 - Pupils who require alternative provision (including children in AP settings without an EHCP).
- 3.27 Whilst the funding is predominantly intended for school aged children, LAs can spend it across the 0-25 age range, including in special post-16 institutions or other further education (FE) settings. The funding is intended to address the need for places in academic years 2023/24 and 2024/25, but it is not time-bound.
- 3.28 Funding can also be used to meet suitability needs to adapt, re-model or improve existing provision to make it appropriate or suitable for a different or wider set of children and young people's needs. Accordingly, HNPCA in 2022-24 includes an element specifically intended to support LAs to invest in suitability and/or accessibility projects where this may be appropriate.
- 3.29 LAs are encouraged to prioritise projects that will help them to manage pressures on their high needs budgets; and should ensure they are considering any resulting savings when developing their local Dedicated Schools Grant (DSG) management plans. In particular, the DfE recommends that LAs should consider prioritising projects that increase available placements for children and young people with EHCPs in mainstream settings (i.e., new SEN units or resourced provisions) or promote effective upstream support from specialist teams and settings within the mainstream environment, where this can be made suitable for children and young people with SEND.

The funding can be used to provide new places or improve existing provision in a range of provision types, where this benefits children and young people with High Needs aged between 0 and 25. This includes mainstream schools or colleges (including academies); FE colleges or 6th Form colleges; Special Schools and Units; Alternative Provision; Nursery or early years providers; and any other education provision for children and young people with SEND who are aged between 0 and 25 or who require alternative provision which is not otherwise covered.

- 3.30 In areas where children and young people travel regularly across LA borders, LAs are encouraged to work with neighbouring authorities to consider solutions that may benefit the broader region.

4. Consultation

- 4.1 The strategic plans for creating extra school places were shared in the Education Provision in North Somerset - A Commissioning Strategy 2021 – 2024 consultation undertaken in the spring of 2021 . Details of the responses were reported to the Executive in June 2021 – see <https://n-somerset.moderngov.co.uk/documents/s1094/11 Draft Education Provision in North Somerset - A Commissioning Strategy 2021 2024.pdf>
- 4.2 The Place Directorate oversee the maintenance of the school estate on behalf of Children's Services. Details of School Condition Surveys as at summer 2020 were shared with all maintained schools. The Place Directorate are currently reviewing the surveys and further dialogue with schools will take place as required.
- 4.3 The DfE sought bids in March 2022 for funds from all Local Authorities and Multi-Academy Trusts that were based on DfE centrally held data and updated reports of poor condition from responsible bodies. Outcomes of their consultations and resulting site visits are expected shortly.
- 4.4 School Devolved Formula Allocations are paid directly to schools. Schools discuss the requirement for their sites with their governing body. Any physical changes to their sites are shared with the council to ensure compliance with all statutory obligations.
- 4.5 In accordance with the conditions of grant, a consultation with schools, the SEND community and other relevant stakeholders was undertaken between 6 September and 23 October 2022 to ascertain support for the Council's proposals on how to use the High Needs Capital Grant - see [High Needs Provision Capital Allocations \(HNPCA\) for the 2022/23 and 2023/24 financial years - North Somerset Council Consultations \(inconsult.uk\)](#)as

The DfE tell us that funding should be used primarily to meet the capital costs associated with providing new places and improving existing provision, for:

- Children and young people with complex needs, who have Education, Health and Care plans (EHCPs), and where appropriate other children and young people with SEND who do not have an EHCP; and
- Pupils who require Alternative Provision (AP) (including children in AP settings without an EHCP).

Within North Somerset we have identified a need for extra placements for :

- Those with a Social, Emotional and Mental Health (SEMH) diagnosis where children and young people who are suffering from anxiety and struggling to access a normal school environment. This has increased in part due to the recent pandemic and the impact this has had on people's mental health.
- Children and young people progressing through the autism assessment pathway where their needs are now more clearly identified.
- Pupils in schools where their setting needs room alterations or small-scale adaptations to allow them to continue to attend.
- Children and young people who require access to Alternative Provision (AP) and we need to consider how/if we enhance or replace the VLCs existing sites.

In total 18 responses to our e.consult consultation, three further emailed replies and an email asking for school site adjustments were received by the closing date. There was 100% support to our proposals to create more specialist places for pupils locally within or attached to mainstream schools as identified above. Comments included the need to enhance our current provision with a balance of specialist placements, earlier, or different intervention through Nurture Groups and Alternative Provision; a need to support students in their own schools; and a recognition that the needs identified for anxiety and autism were recognised. Areas of concern were around places being fully revenue funded and that the on-going costs should not be at the detriment to schools or Trusts and that Multi-Agency support should be readily available to support pupils and schools. Places should also be available to all qualifying pupils across North Somerset, not exclusive to those pupils attending the home school (or Trust) if true need is to be met.

In addition to the written responses, two public meetings were held on 12 and 13 September 2022 and attended by 8 and 11 external consultees from across the schools and Cllr community respectively. There was again 100% support to the recommendations for this capital grant with the comments made echoing those shared in the written responses above.

Officers are working through the responses to the consultation and further updates on potential schemes will be shared as soon as possible.

5. Financial Implications

- 5.1 LAs are required to verify Basic Need grant funding has been spent on capital projects through the section 151 officer's return, as well as providing data through the annual SCAP survey and discretionary Capital Spend Survey returns. Whilst the Basic Need grant remains un-ringfenced, providing flexibility in the management of council-led capital programmes to meet our sufficiency duties, the new conditions are designed to drive efficient spending. There is a risk that a failure to provide efficiency, especially where the methods of delivery were not the DfE's Construction Framework and its Modern Methods of Construction (MMC) Framework, could lead to the DfE reclaiming allocations.
- 5.2 If an authority fails to comply with any of the conditions and requirements of the Basic Need grant, the Minister of State may:
- reduce, suspend or withhold grant; or
 - by notification in writing to the authority, require the repayment of the whole or any part of the grant.
- Any sum notified by the Minister of State shall immediately become repayable.
- 5.3 High Needs Funding should not be used to maintain and improve the condition of the school estate, which should continue to be covered by Devolved Formula Capital funding (DFC), the Condition Improvement Fund (CIF) or School Condition Allocations (SCA).
- 5.4 As with other capital allocations, capital allocations are provided for capital purposes only and cannot be used for revenue expenditure of any kind, such as training or staff costs.

- 5.5 The national and regional benchmarking costs in 2021 of providing an expansion or a new school place are as below:

	England	South West
Permanent Expansion	£18,007	£18,367
Temporary Expansion	£8,572	£8,743
New School	£21,559	£21,990

Costs

Basic Need

- 5.6 The DfE's allocation of Basic Need from 2017/18 to 2022/23 has amounted to £25.2m of which £5.12m is still unspent as at July 2022 – see appendix 1. Schemes recently part-funded from Basic Need have included:

- Chestnut Park Primary
- Parklands Education Together (temporary and permanent sites)
- Gordano School expansion
- VLC Milton extra accommodation
- Banwell Primary School kitchen improvements
- Westhaven Special School Expansion
- Ravenswood Special School Expansion
- Resource Bases at Mendip Green and Nailsea Schools
- Winterstoke Hundred Academy

There were nil Basic Need allocations in the 2021/22 and 2022/23 financial years.

- 5.7 The remaining allocations have been provisionally set aside to develop extra places, as required, as below:

- To support primary place expansions in Sandford, Churchill and Winscombe
- To support the purchase of a secondary site in the centre of the district
- To support the reprovision of the leased Voyage Learning Campus site

The above schemes are dependent on place need and further scoping work to determine costs before any approvals are sought.

- 5.8 Early scoping work is progressing to develop a scheme to create extra capacity at Clevedon School in response to demand within the town that cannot easily be met within the current footprint of this academy to a value of c £2.86m. This would be met from the 2023/24 basic need allocation. Officers continue to consider where demand for the 2024/25 school year cannot be met and how this will inform future basic need spend recommendations.

Condition Allocations

- 5.9 The backlog of maintenance needs across the school estate is estimated to be in the region of £6.1m over the next 5 years. Condition surveys on the school portfolio will form the basis for prioritising school maintenance plans for future years. This work is ongoing and will inform a programme of planned works for next financial year and beyond. In the immediate term, from an analysis of the data included within the

surveys, Banwell and Kewstoke Primary schools stand out as buildings requiring immediate investment.

- 5.10 Of the nine schools still in the LA's control, five are due to convert to academy status in the 2022/23 school year. This will further reduce the obligations of the Council to maintain these buildings year on year, although the DfE's expectation that schools on conversion should be in a safe condition with no health and safety or regulatory compliance issues must be noted. Of the remaining four schools (excluding Kewstoke and Banwell) across 5 sites, one site is leased and plans to create a new freehold relocated site is in development (subject to funding) and the remaining four have c £1.72m of outstanding maintenance needs when last assessed. This need could change over time.

High Needs

- 5.11 The agreed priorities for extra SEND Provision, as detailed in the Education Provision in North Somerset ~ A Commissioning Strategy 2021 – 2024 are as detailed below:

- Creating new places for pupils with Severe Learning Difficulties and/or Profound and Multiple Learning Difficulties – the delivery of the Baytree Expansion scheme is adding 65 – 85 new physical places from the 2023/24 school year at the cost of £18,297,020 – see . [https://n-somerset.moderngov.co.uk/documents/s3314/10 Expansion and Creation of Second Site for Baytree School.pdf](https://n-somerset.moderngov.co.uk/documents/s3314/10%20Expansion%20and%20Creation%20of%20Second%20Site%20for%20Baytree%20School.pdf)
- The creation of extra places at Westhaven and Ravenswood Schools for pupils with Severe Learning Difficulties in areas such as communication and interaction, cognitive and learning, emotional and social development, autism and sensory and physical needs – these schemes have already added 63 – 68 places at a cost of £125,000 at Ravenswood (see CS09 - [Decision \(n-somerset.gov.uk\)](https://n-somerset.moderngov.co.uk/documents/s3314/10%20Expansion%20and%20Creation%20of%20Second%20Site%20for%20Baytree%20School.pdf) and £247,500 at Westhaven (see PC97 (2019/20 scheme)
- The delivery of two new Resource Bases at Mendip Green Primary and Nailsea School for pupils with autism - added 20 places at the cost of £183,500 at Mendip Green and £150,000 at Nailsea School - see [Decision \(n-somerset.gov.uk\)](https://n-somerset.moderngov.co.uk/documents/s3314/10%20Expansion%20and%20Creation%20of%20Second%20Site%20for%20Baytree%20School.pdf) and PC20/2019
- Opening Lime Hills Academy on its temporary site in Nailsea on 1 September 2022. This new Free School is supporting up to 25 pupils with Social, Emotional and Mental Health (SEMH) needs at the cost of c£140,000. The places will increase to 65 by September 2024 when the DfE delivers their permanent site in Churchill.

- 5.12 Additional plans for SEND provision for 2022/23 have included:

- The re-purposing existing buildings to create Nurture Groups at Backwell School, Bournville Primary, Priory Community School Academy, Yatton Infant and Junior and Yeo Moor Primary Schools to create 10-place groups per site at the cost of c £360,000 of Council borrowing - see table below
- Investing in accessibility and site suitability changes at Golden Valley School to ensure that the school can meet the needs of all their pupils on site – CY56 for £223,610 from the High Needs Grant 2021/22.

	£
Allocation as per Council 2021 – ASD Hubs (Borrowing)	300,000
Allocation as per Council 2021 – SEMH Hubs (Borrowing)	360,000

Total Funding	660,000
Previous decisions	
CY24 – Yatton Nurture Hub	22,200
CY25 – Priory Nurture Hub	55,000
CY43 – Bournville Nurture Hub	145,000
CY64 – Backwell School	21,000
CYxx – Yeo Moor School	TBA
Balance of funding for future decision	416,800

- 5.13 To assist with the further SEND provision using the High Needs allocations within the 2022/23 and 2023/24 financial years we are seeking support for our indicative plans and initial expressions of interest from schools, MATs and Early Years Providers to deliver years 2 and 3 of our 5-year SEND capital programme (with the final 2 years of schemes as yet unfunded). Indicative allocations are shown below:

Indicative Allocations				
High Needs Capital Funding Allocation	2022/23 Financial Year £	2023/24 Financial Year £	Totals £	Purpose
Resources Bases	500,000	500,000	1,000,000	To provide 2 further resources bases on existing sites by developing or providing new accommodation at existing locations
Nurture Groups	150,000	150,000	300,000	To provide 5 further Nurture Groups on existing sites by reconfiguring existing accommodation
Reasonable Adjustments	596,470	1,613,824,	2,210,294	To make adaptations to c 6 - 10 sites to ensure that the needs of pupils can be met
PRU enhancements	300,000	300,000	600,000	To develop or reconfigure the existing or new accommodation

Early Years/Post-16	150,000	150,000	300,000	To provide 2+ new or expanded early years/post-16 facilities on existing sites to support the integration of placements for SEND early years children into mainstream provision or the expansion of the local post-16 offer by reconfiguring existing accommodation
Totals	1,696,470	2,713,824	4,410,294	

5.14 Resource bases and Nurture Groups will be revenue funded in line with the revenue allocations agreed by the Strategic Schools Forum and will be subject to agreements outlined in Service Level Agreements (available on request).

5.15 Whilst the funding above is un-ringfenced (subject to certain conditions), the LA ultimately is to determine how to best use the funding to meet local priorities.

Funding

5.16 Details of the grants to support the above schemes are listed below:

Allocations				
	2022/23	2023/24	2024/25	Totals
Basic Need	£ -	£ 6,694,758.00	£ -	£6,694,758.00
School Condition Allocation	£ 355,250.00	TBA	TBA	£ -
Special Provisions High Needs	£ 1,696,470.00	£ 2,713,824.00	TBA	£4,410,294.00
Totals	£ 2,051,720.00	£ 9,408,582.00	£ -	£11,083,946.00

6. Legal Powers and Implications

6.1 Basic Need is allocated to LAs by the DfE under section 31 of the Local Government Act 2003. Allocations, that can only be used for capital purposes, are made based on a formula allocation that compares school capacity (not pupil admission numbers) against forecast mainstream pupil numbers from reception to year 11. There is also an uplifted to provide a 2 per cent operating margin. Where capacity is lower than forecasts, the DfE will fund the gap.

6.2 When expanding existing schools, there is an expectation that LAs will create new places at schools (including academies/free schools) with an overall Ofsted rating of 'good' or 'outstanding'. The local strategies for securing sufficing school places are

- 6.3 There is an expectation that school leaders and Academy Trusts will collaborate with LAs, expanding where feasible when requested to do so by a local authority, or increasing their admission numbers where they have capacity to do so, to meet a local need for places.
- 6.4 As stated in 3.10 above, this Council has an agreed policy not to fund schools who have an Academy Order (AO) in place stating their intention to convert to academy status. Whilst the school remains as a maintained school, the Council has a duty to ensure its buildings are safe.
- 6.5 As indicated in 3.11 above, the DfE expects LAs to 'treat schools considering conversion fairly, including by investing in high-priority condition issues and honouring any commitments of capital funding that they have made. On conversion, at a minimum, schools should be in a safe condition with no health and safety or regulatory compliance issues.'
- 6.6 The Education Act 1996 sets out a statutory duty on local authorities (LAs) to secure sufficient school places, which they must do about securing special educational provision for children and young people with special educational needs and disabilities (SEND) as well as those requiring alternative provision (AP). The Children and Families Act 2014 also places important statutory responsibilities on LAs for supporting children and young people with SEND, including keeping the sufficiency of educational provision for them under review.

7. Climate Change and Environmental Implications

- 7.1 The Government's targets on climate change, including committed to supporting achieving net zero carbon emissions by the 2050 target, is set out in the Climate Change Act 2008. There has been an uplift to Basic Need grant funding rates to support costs associated with achieving the sort of sustainability and design standards set out in its updated School Output Specification 2021. LAs are 'strongly encouraged' when developing their local capital plans, to refer to the DfE's output specification. Regardless of local authorities' chosen delivery route, LAs should consider environmental sustainability, carbon reduction and energy efficiency to develop solutions for projects that are in line with Government targets and objectives.

8. Risk Management

- 8.1 As stated in 5.1 and 5.2 above, LAs are required to verify Basic Need grant funding has been spent on capital projects through the section 151 officer's return, as well as providing data through the annual SCAP survey and discretionary Capital Spend Survey returns. Whilst the Basic Need grant remains un-ringfenced, a failure to provide efficient school schemes, especially where the methods of delivery were not

the DfE's Construction Framework and its Modern Methods of Construction (MMC) Framework, could lead to the DfE reclaiming allocations.

If an authority fails to comply with any of the conditions and requirements of the Basic Need grant, the Minister of State may

- reduce, suspend or withhold grant; or
- by notification in writing to the authority, require the repayment of the whole or any part of the grant.

Any sum notified by the Minister of State shall immediately become repayable.

To mitigate this risk Project Managers and Procurement colleagues have been advised of this requirement so that all schemes can comply with government requirements.

- 8.2 The Council could decide to postpone any upgrades to school buildings, waiting for academy trusts to take over these responsibilities on school conversions. The DfE have recently stated that Council's must 'treat schools considering conversion fairly, including by investing in high-priority condition issues and honouring any commitments of capital funding that they have made. On conversion, at a minimum, schools should be in a safe condition with no health and safety or regulatory compliance issues.' In some cases, both in North Somerset and nationally, the condition of school buildings has been a barrier to a school being accepted into a Multi-Academy Trust (MAT).

Only work that is of a significant maintenance or health and safety or regulatory compliance issue could be undertaken. Much of the condition works required at maintained schools satisfies this condition.

- 8.3 The school condition upgrade programme is over-due.

A new officer has been recently employed to take forward this programme and work in underway to ensure that a robust assessment is available in time for the next capital bidding round.

- 8.4 There are a significant number of projects to progress and only limited numbers of staff resources to deliver these.

To mitigate these risks officers will look to capitalise costs where they can, to create extra staffing capacity.

- 8.5 Schools and other stakeholders have expressed concern that there may not be the revenue available to support the delivery of new provisions. The schools High Needs budget has overspent by c £13m. Whilst the budget is used in schools, the Council is responsible for managing the deficit and agreeing strategies to reduce the ongoing overspend as well as bringing the deficit down. The DfE have included North Somerset in their Safety Value Programme where we will be expected to show progress in taking steps to reduce excess SEND demand and therefore excess spend.

Early intervention is one way to ensure that the needs of pupils with potential SEND needs are supported so that the requirement to allocate an Education, Health and Care Plan (EHCP) or to move a child into an expensive specialist high-cost placement is reduced or removed. The SEND programme of work is intended to

support pupils in mainstream settings and reduce the reliance on specialist placements both within and outside of the district that can be more costly.

9. Equality Implications

- 9.1 Equality Impact Assessments are undertaken for new and school expansion scheme as required. A specific EIA has not been undertaken for this information report.

10. Corporate Implications

- 10.1 The council has a statutory duty to secure sufficient school places for its residents. Basic need funding is allocated as a contribution towards this duty, although there is an expectation that Council's will use its own and developer funds to contribute towards the full costs of supplying enough places. If the council decides not to support basic need schemes, it risks failing in its statutory duty to meet the school-place needs of its residents.
- 10.2 The statutory duty to secure sufficient places applies to both mainstream and SEND provision. We have been told by the DfE we must reduce our High Needs overspend to have a balanced year-on-year budget position by 2026/27. This is a non-negotiable requirement. The Special Provisions High Needs capital allocation must be used to help facilitate this.
- 10.3 The council is the employer of staff at maintained schools and the buildings are a corporate resource. The council therefore has a duty to ensure they are fit for purpose for public use.
- 10.4 The council could determine that it will only undertake the works at maintained schools. 85% of North Somerset schools are academies and this percentage will rise to 91% by April 2023. We rely on working with academy schools to satisfy the council's statutory duty to secure sufficient places. The basic need payments are allocated to the council for schemes across the district regardless of the status of the school.
- 10.5 This Council has an agreed policy not to fund schools who have an Academy Order in place stating their intention to convert to academy status. Until they have converted, the LA still receives funding within its SCA for the school. Noting there have been a number of schools that have required capital support to aid academy conversion, this policy may need to be reviewed.
- 10.6 Whilst capital funds can be used to pay for capital schemes, the council does need to provide sufficient revenue funds to pay for the development of schemes, their scoping and the oversight of its capital programmes. These officer costs needs to be funded from the council's revenue budgets.

11. Options Considered

- 11.1 This is an information report. The council could decide not to support a school's capital programme, although it would risk failing in its statutory duty to secure sufficient school places, maintain safe buildings and accept that it will need to meet any shortfall in High Needs funding in the future.

Author:

Sally Varley (she/her)

Head of Strategic Planning & Governance

Education Partnerships ~ Children's Services

North Somerset Council

Tel: 01275 884857 or 07917 587280

E-Mail: Sally.Varley@n-somerset.gov.uk

Appendices:

Basic Need Allocation Summary – Appendix 1

Background Papers:

See those listed within the report.

Appendix 1

TGC101	Basic Need 17/18 £	Basic Need 18/19 £	Basic Need 19/20 £	Basic Need 20/21 £	Basic Need 21/22	Basic Need 22/23	TOTAL FUNDING POT £
Basic Need 17/18	0.00						0.00
Basic Need 18/19		(2,827,689.52)					(2,827,689.52)
Basic Need 19/20			(21,262,149.00)				(21,262,149.00)
Basic Need 20/21				0	0	0	0.00
Basic Need - release of Topslice	(1,153,758.00)						(1,153,758.00)
	(1,153,758.00)	(2,827,689.52)	(21,262,149.00)	0.00	0.00	0.00	(25,243,596.52)
Allocated spend in the capital programme - as detailed below							17,280,387.52
Decisions Pending							0.00
Schemes at Feasibility stage							2,840,927.00
Subtotal of Capital schemes with earmarked funding from Basic Need Grant							20,121,314.52
BALANCE OF GRANT TO BE ALLOCATED TO PROJECTS (Positive still budget to allocate / Negative overallocated BNG)							5,122,282.00
PLEASE NOTE THAT THE FUNDING FOR BREACH CLASSES FOR FUTURE YEARS HAS NOT BEEN FINALISED							
WITHOUT THE FUTURE FUNDING FOR BREACH CLASSES THE BALANCE IS							6,747,282.00