

**NORTH SOMERSET COUNCIL
DECISION**

**DECISION OF: EXECUTIVE MEMBER FOR HUMAN RESOURCES,
ASSET MANAGEMENT, CAPITAL PROGRAMME AND TRANSFORMATION
PROGRAMME**

**WITH ADVICE FROM: S151 OFFICER AND DIRECTOR OF PEOPLE AND
COMMUNITIES**

DIRECTORATE: PEOPLE AND COMMUNITIES



DECISION NO: P&C33 (2018/19 SCHEME)

SUBJECT: WAVE 13 FREE SCHOOL BID

KEY DECISION: YES

BACKGROUND:

The Department for Education opened a new Free School (Wave 13) round for Local Authorities to submit bids for new Special and Alternative Provision (AP) schools in their districts. The process opened on 15 August 2018 and all submissions must be made by noon on 15 October 2018.

The Council has a statutory duty to ensure that pupils living in North Somerset have access to appropriate education. North Somerset does not have its own bespoke Social Emotional and Mental Health (SEMH) school for pupils across the primary and secondary school age range. Many pupils travel to schools outside the district to receive specialist support.

This bid seeks the support of the DfE in securing a Free School to provide this provision within North Somerset. The bid requires the identification of land, where possible, to enable the early delivery of the new school. A site in Churchill has been identified for this purpose. Whilst the Education Skills and Funding Agency (ESFA) would be responsible for delivering the new school, they are minded to favour submissions where an appropriate site could be used (should the bid be successful).

The Financial Regulations 2017 require Executive Member and s151 and Director approval when submitting bids for external capital funding to a scheme that may have a capital or revenue impact on the Council. The DfE will give preference to submissions where a value for money site available in a timely manner will aid the delivery of the new school. They have a 'very strong preference' for local authority or government owned sites that can be secured on a peppercorn basis with a long 125-year lease and token minimal payments per annum being included in the bid.

If the land in Churchill is to be included in the bid, this would be at a potential capital and revenue loss to the Council.

There may also be a requirement for Council officers to support the Education, Skills and Funding Agency (ESFA) in the delivery of the scheme, liaising across directorates to support its delivery in a timely manner.

DECISION:

1. To authorise the submission of a Wave 13 Free School Bid to the DfE on 15 October 2018 to facilitate the establishment of a Social Emotional and Mental Health Free School within the district.
2. To allow the inclusion of a site in Churchill to be included in the bid. The site is currently valued in excess of £1,000,000 and could be made available to the new Free School under a 125-year lease for a peppercorn rent.

REASONS:

In common with many other Local Authorities nationally, there is an identified lack of provision for pupils with Social, Emotional and Mental Health (SEMH) within North Somerset. As we do not have a specialised school, high numbers of pupils travel significant distances to provisions which are not always of the quality the Council would wish to commission. The recent Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) review undertaken in 2017/18 showed there were c70 pupils attending schools outside North Somerset with SEMH as their primary need. Projections indicate that by 2027 this number will increase to 80 pupils. Children in this cohort will not be accommodated in local provision and will need to travel out of the North Somerset area. The only Independent SEMH provision within North Somerset has recently been graded as Inadequate by OFSTED and is due to close. Whilst the cost of each school-place provision falls to the Dedicated School's budget, the home-to-school transport costs noted in the review for this category of pupils was £459,000 pa/ £28,745 per pupil pa. This is a revenue cost to the Council.

OTHER OPTIONS CONSIDERED:

- To seek to provide a new school through a Presumption route competition - The full capital costs of the land and buildings would need to be met from Council resources before the site is transferred to the Academy Trust in line with the requirements of the Academies Act 2010. Once the school is opened, its costs are covered by the DfE through school formulaic allocations. Pre and early post-opening costs are to be met from the North Somerset Dedicated Schools Grant. Schools' revenue funding is under review nationally and the option for the Council to secure revenue assistance for new schools from this funding source cannot be guaranteed.
- To ask local schools and academies to make land available to offer this provision on their existing school site(s) - As part of the review work to decide whether a Free School submission would be appropriate, all schools in North Somerset were asked to express an interest to have this provision on their site. There is no school with sufficient spare land to accommodate the new school and a significant risk that another MAT would be offered the school on their site.

- To challenge the Free School legislation and submit a bid naming a preferred provider with the provision near their site(s) – the timescale for the submission of the bid was insufficient for this legal challenge and to secure the extra land for the MATs concerned. Whilst there were two local Multi-Academy Trusts (MATs) who were prepared to run the new school if land and resources could be made available without cost to their MAT, they were not prepared to take the risk that they may not be the successful sponsor appointed by the DfE. In addition, for one MAT, this would include the use of land at Selworthy Road. This land was approved by Council for development on 25 September 2018. The second would involve the relocation of a 210-place school site. This would be deemed to be cost-prohibitive based on DfE and ESFA school delivery benchmarking costs.

FINANCIAL IMPLICATIONS:

The site in Churchill is currently leased agricultural land. Its value is estimated to be in excess of £1,000,000. The Council would be required to offer a 125-year lease to the new school and would receive a peppercorn rent.

Costs

There are no direct revenue costs to the Council. Over time there could be revenue savings to the home to school transport budget, as yet unquantified, as pupils would no longer be required to travel to schools outside the district, some of which are a significant distance and journey time from their homes.

There could be officer time costs in supporting the delivery of the school by the Education Skills and Funding Agency.

The ESFA may ask the Council to support any abnormal build costs and these are not always covered by the government grant. Such costs would not be known until a full scheme is developed. They would be however considerably lower than the cost of the delivery of a new school.

Over time there could be revenue savings to the Dedicated Schools Grant. The Strategic Schools Forum should be asked to reinvest those savings into supporting other pupils with Special Educational Needs and Disabilities.

Funding

The capital funding for Free Schools is met from national government grants paid to the Education Skills and Funding Agency.

Once the special school is open, its revenue funding comprises (as at September 2018) of:

- Per-place funding of £10,000 for all places for pre-16 and 16 to 19 pupils with Education, Health and Care (EHV) plans; and,
- Top-up funding for each pupil placed in the free school, based on the pupil's assessed needs and the cost of meeting those needs in the school – this top-up funding comes from the local authority commissioning the place, and is determined by the local authority in negotiation with the free school and is paid for as long as the pupil attends the school.

Place funding is calculated and paid to a Free School by the Education Skills and Funding Agency (ESFA). These payments are deducted from that local authority's high needs

allocation. The ESFA intend to ensure that the relevant local authorities who make successful bids are allocated funding to reflect the costs of significant growth in these new and growing schools, both for those currently open and those in the pipeline. More detail on this will be provided in the high needs operational guide to be produced by the DfE in the autumn 2018.

LEGAL POWERS AND IMPLICATIONS

The Education Act 2011 and the Academies Act 2010 provide the legal basis for the formation of academies, free schools, University Technical Colleges (UTCs) and Studio Schools.

From July 2010 legislation was introduced to make it possible for all schools to become academies, including primary and special schools. In June 2010, the then Education Secretary invited proposals from groups interested in setting up free schools. Free schools are all-ability state-funded schools set up in response to what local people say they want and need to 'improve education for children in their community'. They are academies by law and so are not under the control of a local authority.

CONSULTATION

The Council has developed a Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) Strategy by undertaking a wide-ranging review of Specialist and Alternative Provision between May 2017 and December 2017. This was produced through a process of considerable consultation with schools, parents and carers and partner organisations including the Strategic Schools Forum (SSF) - <https://goo.gl/Lxu4sR> Additionally, a review of school revenue Top-up Funding is underway, funded by SSF. This will be reported onto SSF in October 2018, for implementation in September 2019, but is not expected to affect the level of funding available to a new SEMH school. North Somerset also regularly produces, consults on and refreshes a Commissioning Strategy detailing the anticipated need for all school places locally. The latest Education Provision in North Somerset ~ A Commissioning Strategy 2018 – 2021, following a period of consultation between November 2017 and March 2018, was approved by the Executive at their meeting on 4 September 2018 - <http://www.n-somerset.gov.uk/wp-content/uploads/2018/09/Education-Provision-in-North-Somerset-a-commissioning-strategy.pdf>.

RISK MANAGEMENT

The Free School, should the bid be successful, would be delivered by the Education Skills and Funding Agency. This agency may or may not ask the Council to contribute to a scheme if the abnormal costs cannot be met within Education, Skills and Funding Agency (ESFA) parameters. This cost would be considerably lower than the capital needed by the Council to deliver a new SEMH school.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Yes / No

This decision asks for approval to submit a bid for funding. If the bid were to be successful, the Education, Skills and Funding Agency (ESFA) would be required to undertake an Equality Impact Assessment (EIA) as part of the planning and delivery of the new school.

CORPORATE IMPLICATIONS

This scheme would be delivered by the Education, Skills and Funding Agency (ESFA).

The Council’s Corporate Plan sets out the vision for North Somerset as: “A great place to live where people communities and businesses flourish” and “Modern, efficient services and a strong voice for North Somerset”. The Plan identifies three key outcomes which we want to achieve for local people:

- **Prosperity and opportunity**
- **Health and wellbeing**
- **Quality places**


A good/outstanding school within easy distance from a resident’s home address is an expectation of all parents. Enabling pupils to reach their potential whilst at school supports the future prosperity of children and young people and that of the area, it supports the provision of an employable workforce and promotes good health and well-being. The Council is keen to continue to work with schools as we all share the delivery of key services to families and the wider community. The People and Communities Directorate brings together services for people of all ages. These services empower people to make the most of their lives and provide help and support when needed, especially to the most vulnerable members of our community at key stages in their lives.

BACKGROUND PAPERS


- Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) Review - <https://goo.gl/Lxu4sR>
- Education Provision in North Somerset ~ A Commissioning Strategy 2018 – 2021 - <http://www.n-somerset.gov.uk/wp-content/uploads/2018/09/Education-Provision-in-North-Somerset-a-commissioning-strategy.pdf>

SIGNATORIES:

DECISION MAKER(S):

Signed: 

Title: Executive Member for Human Resources,
Asset Management, Capital Programme
and Transformation Programme

Date: 

WITH ADVICE FROM:

Signed: MAJ.....

Title: S151 Officer

Date: 9/10/18.....

Signed: Sheila Lunt.....

Title: Director of People and Communities

Date: 9.10.18.....

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable:

Following further consideration of which Executive Member should make this decision, Councillor Pasley confirmed that it comes within the remit of his portfolio. Accordingly, this Decision Notice has been amended.

