



Report to Policy Committee

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Report of: *Joe Horobin, Director of Integrated Commissioning*

Report to: *Education, Children and Families Policy Committee*

Date of Decision: *31st January 2023*

Subject: *Alternative Provision Free School Bid*

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?	1349			
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
<p>If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:- <i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i></p>				

Purpose of Report:

To seek approval for the Local Authority to support the submission of two bids to the Department For Education current round for Alternative Provision Free Schools. These bids will be submitted in partnership with Brigantia Learning Trust, and Minerva Learning Trust, respectively. Deadline 17th February 2023.

These bids are being submitted as part of wider developments to improve alternative provision in the city. Each bid is for a 100-place school.

This is being brought to Education, Children and Families Policy Committee, as it falls within the remit of matters reserved to the Committee under the Council's Constitution:

*Matters Reserved to the Education, Children and Families Policy Committee
Decision making in respect of the establishment, alteration or discontinuance of schools, other than those that must be referred to the Schools Adjudicator.*

Recommendations:

The Education Children and Families Committee is recommended to:

- Approve that the Local Authority will support the submission of two bids for an Alternative Provision Free School, by Brigantia and Minerva respectively.
- Endorse the principle of funding any abnormal site costs resulting from a successful bid from the High Needs Capital Allocation.

Background Papers:

Sheffield Inclusion Strategy 2020-2025

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>Kayleigh Inman</i>
		Legal: <i>Nadine Wynter</i>
		Equalities & Consultation: <i>Bashir Khan</i>
		Climate: <i>Jessica Rick</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	SLB member who approved submission:	<i>(Insert name of relevant Executive Director) Andrew Jones</i>
3	Relevant Policy Committee	<i>Education, Children and Families Policy Committee</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 SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>Matthew Peers / Candi Lawson</i>	Job Title: <i>Strategic Commissioning Managers</i>
	Date: <i>20th January 2023</i>	

1. PROPOSAL

1.1 Bidding Opportunity and Process

- 1.1.1 The national alternative provision free school process, led by the Department for Education, provides an opportunity to bid for new alternative provision free schools to be built.
- 1.1.2 Capital is provided by central government for successful bids, with the Local Authority funding abnormal capital costs.
- 1.1.3 For this process, bids are submitted by Academy Trusts. To submit a bid, the Trust must have the support of their local authority.
- 1.1.4 An initial expression of interest process was completed in summer 2022, to identify potential academy trust partners for this bidding opportunity.
- 1.1.5 Brigantia and Minerva Multi Academy Trusts emerged from this process, jointly undertaken between Integrated Commissioning, and Education & Skills, as the most suitable partners for bids.
- 1.1.6 Detailed bids are now being developed with both Trusts, ahead of the 17th February 2023 deadline.

1.2 Statutory Duties

- 1.2.1 The Local Authority has statutory duties as detailed in the Education Act 2011, and the Children and Families Act 2010. Guidance for local authorities is detailed in the Alternative Provision, Statutory Guidance 2013.
- 1.2.2 Local Authorities are responsible for arranging suitable education for permanently excluded children and for other children who, because of illness or another reason, would not receive a suitable education without alternative arrangements being made. In this context we are proposing Alternative Provision that seeks to meet the needs of children as an early intervention to prevent exclusion or escalation of need wherever possible.
- 1.2.3 Statutory guidance outlines the following regarding 'Good Alternative Provision':

Good alternative provision is that which appropriately meets the needs of pupils which required its use and enables them to achieve good educational attainment on par with their mainstream peers. All pupils must receive a good education, regardless of their circumstances or the settings in which they find themselves. Provision will differ from pupil to pupil, but there are some common elements that alternative provision should aim to achieve, including:

- *good academic attainment on par with mainstream schools – particularly in English, maths and science (including IT) – with appropriate accreditation and qualifications.*
- *that the specific personal, social and academic needs of pupils are properly identified and met in order to help them to overcome any barriers to attainment.*
- *improved pupil motivation and self-confidence, attendance, and engagement with education; and*
- *clearly defined objectives, including the next steps following the placement such as reintegration into mainstream education, further education, training, or employment.*

1.3 Case for an Alternative Provision Free School

1.3.1 The SEND and Alternative Provision Green Paper sets out an ambition for an integrated system that increases inclusion in mainstream settings.

1.3.2 There will always be a number of children for whose needs can not be met in mainstream, and for whom an alternative high-quality provision will enable them to thrive.

1.3.3 As part of our wider strategic work to develop an Alternative Provision model for the city, we have identified a need for high quality registered AP that can deliver the following in line with recommendations from the Green paper:

- Proactive outreach and expertise to the mainstream sector to prevent exclusions and escalation of need
- Short term, part time alternative provision as a step out from mainstream school with the aim of reintegration
- Long term full time alternative provision that supports young people through their education journey

1.3.4 As part of developing this provision, there will be a specific focus on addressing inequalities. We know that Children from Black and minority ethnic backgrounds are more likely to be excluded than their white counterparts. Children who are identified as having additional needs are also more likely to need adjustments or alternative approaches to enable them to reach their potential. Children and young people who need an alternative to mainstream school are amongst the most vulnerable in our city, and therefore require the highest quality and aspirational provision.

1.3.5 We believe there is a strong case for developing our approach to Alternative Provision in Sheffield, and these bids, if successful, will support us to achieve this. In the event that neither bid to DFE is successful, we are proposing that officers continue to consider operational solutions to achieving the intended outcome without the investment from Department for Education.

1.4 Proposed Alternative Provision Free School Bids

1.4.1 Both bids are for an 80 – 100 place Free School with a target cohort through from Key Stage 2 – 4. Key focus for both bids:

- Transitions between Key Stage 3 and 4
- Supported and planned reintegration into mainstream wherever possible.
- Transition from Key Stage 4 into post 16 employment, education or training.
- Child / Young person centred, and needs led plans that clearly articulate a pathway and goals.
- Trauma informed inclusive interventions that are tailored to an individual plan.

1.5 Brigantia

This bid will be for provision that spans Key Stages 2 to 4, with up to 50% of places being focused at Key Stage 4 young people and the transition into post 16.

There is a particular focus on transitions between primary to secondary.

1.6 Minerva

This bid will focus on Key Stages 2 and 3, aiming to identify children at risk of exclusion and build wrap-around support based on individual needs assessments. Supporting children to build resilience and move through the key stages of education is a focus.

1.7 Rationale for two bids

1.7.1 The Local Authority is supporting two bids that create an opportunity to meet a broad spectrum of ages and need across our city, targeting the most vulnerable children. Based on our work to date, we believe there is a need for two provisions supporting a total of 200 children and young people.

1.7.2 We estimate that the Department For Education is likely to support up to 20 applications nationally, so by submitting two bids, we have a stronger chance of success. However, if we are not successful, or receive only one successful bid, we believe there remains a strong rationale to work towards the aims of the bids to improve inclusion in our city.

1.8 Wider Alternative Provision Context

The co-produced Sheffield Inclusion Strategy is the overarching strategy which underpins priorities in this area. These bids sit as part of the wider strategic approach to Alternative Provision in Sheffield. (See paper on Alternative Provision) as part of the committee agenda item.)

2 Funding Model for the Alternative Provision Free Schools (section under development)

2.1 National Benchmarking and recent research by officers have found that the average cost of an Alternative Provision place is £18,000. The figure of £18k also fits neatly into the current provision in Sheffield being a little higher than the average cost of an integrated resource place and slightly lower than a special school place.

2.2 The size of the provision is another factor in the funding model. It needs to be large enough to support an appropriate management and staffing model, while being the correct size to support the needs of the young people accessing the provision. Based on research of successful AP provision elsewhere in the country and the findings of the 2 Multi Academy Trusts (MATs) we are currently assuming 80 places in the school and 20 flexible places. This would give 8 classes of 10 pupils and allow the AP school to deliver the interventions mainstream schools are describing that they need.

2.3 The estimated total income for the planned AP school is shown below. The table below shows the income sources to the new AP over the first 4 years and identifies the financial implications for the LA from our High Needs block which forms part of the Dedicated Schools Grant (DSG).

	Year 1	Year 2	Year 3	Year 4
School Places	48	64	80	80
Flexible Places	8	12	20	20
	56	76	100	100
	£	£	£	£
Base Funding ESFA	560,000	760,000	0	0
Base Funding LA			1,000,000	1,000,000
Top Up LA	89,600	121,600	160,000	160,000
Top Up Traded	358,400	486,400	640,000	640,000
Total Income	1,008,000	1,368,000	1,800,000	1,800,000

Expenditure from DSG	89,600	121,600	1,160,000	1,160,000
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2.4 Work done already with the 2 Multi Academy Trusts suggests that this income model would allow them to recruit and retain the staff and therapy structures they want to establish to ensure that the Alternative Provision will be successful. All of the research done so far is that successful AP is delivered by experienced extremely well trained and passionate staff, which is reflected in the staffing structures being developed by both MATs.

- 2.5 The income will come from 3 sources. Years 1 and 2 only the Education and Skills Funding Agency will fund the base funding for any places being commissioned by the Local Authority. The top up will come from trading with schools and the Local Authority. From year 3 the base funding is normally deducted from the high needs block.
- 2.6 Sheffield intends that we will commission 20% of the provision directly. This will serve a number of purposes:
- a. It will give financial stability to the Alternative Provision and support financially for the periods of the year that the provision is unable to bring traded income in (experience shows that the percentage uptake in provision is lower September to December)
 - b. Ensure the Sheffield Local Authority are able to commission places / interventions as and when necessary

3. HOW DOES THIS DECISION CONTRIBUTE?

3.1 One Year and Corporate Plan

- 3.1.1 This proposal contributes to the council's aim to reduce exclusions in all forms. Children and young people accessing alternative provision are likely to do so as a preventative measure to reduce risk of exclusion from school.
- 3.1.2 If successful, the development of an Alternative Provision Free school will strengthen the city's ability to support our most vulnerable children and young people.

3.2 Reducing Inequalities

- 3.2.1 This proposal contributes to recommendation 2 within the Race Equality Commission final report: 'Educating Future Generations and Showing Leadership in our Educational Institutions'.
- 3.2.2 Specifically, the formation of quality aspirational alternative provision will seek to reduce the number of children from over-represented ethnic groups being excluded from our schools.

3.3 Climate change

- 3.3.1 There should also be a positive contribution to Sheffield's climate goals. The school's construction will be led by the Department for Education and be constructed to a low carbon footprint.
- 3.3.2 The school will also reduce the risk of longer distance travel outside the area, or to schools on the other side of the city, reducing carbon emissions. (See paragraph 4.4).

4. HAS THERE BEEN ANY CONSULTATION?

- 4.1 As outlined, through the co-produced Sheffield Inclusion Strategy, there is consultation underpinning the activity and intentions in this area.
- 4.2 As part of the bid development, there is planned consultation with young people who have experienced alternative provision and their parents. This consultation will be facilitated independently by Community Youth Services to capture the voice of young people and parent / carers.
- 4.3 Local health services and commissioners have been made aware of this bid and potential implications on therapy services. They will be further involved if a bid is successful.
- 4.4 In the event of a successful bid, further consultation will take place on development and delivery of the school.

5. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

5.1 Equality Implications

5.1.1 Decisions need to take into account the requirements of the Public Sector Equality Duty contained in Section 149 of the Equality Act 2010. This is the duty to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it

5.1.2 The Equality Act 2010 identifies the following groups as a protected characteristic: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

5.1.3 An Equality Impact Assessment has been carried out and highlights that the proposal to submit two bids for new alternative provision free schools will increase equality for disabled children, young people and their families by providing access to alternative provision education places for those that need it. It will also reduce the likelihood of a child/young person having to travel out of Sheffield to access alternative education and provide connections to the community promoting social cohesion.

5.2 Revenue

5.2.1 The financial model for delivery of the Alternative Provision Free School is still being developed for inclusion in an Department for Education bid.

- 5.2.2 It is anticipated that the financial model will be similar to that used by other authorities who have an Alternative Provision school of this nature. It is likely to involve a split of the placement costs between the local authority and the school.
- 5.2.3 For the first two years of operation, the Department for Education will provide £10k of revenue funding for each place. The additional cost will be charged to schools, although it is anticipated that Sheffield City Council will purchase some places and fund the top-up.
- 5.2.4 After year 2, additional High Needs Block Direct School Grant will be required to support ongoing revenue costs, as Department for Education funding will end. This will equate to approx. £1m per year based on current costs. An assumption has been made that the High Needs Block allocation made to SCC will continue to increase for the next 3 years.
- 5.3 High-cost placements
- 5.3.1 Currently the cost of alternative provision is benchmarked at £18k per place. This compares to an average placement cost of £21k for an in-house special school, £63k for an Independent Special School and £19k for a place at the Sheffield Inclusion Centre.
- 5.3.2 There may therefore be some opportunity to avoid costs by using the new AP provision to support young people before their needs escalate to either special school or the Inclusion Unit.
- 5.3.3 Ultimately this is a proposal to provide new alternative provision and so will require revenue investment from SCC.
- 5.4 Capital
- 5.4.1 The capital funding implication on SCC resources for this bid is abnormal capital costs of which a high level estimate of £1m has been made (see below). Remaining capital costs i.e. main construction, would be met by central government, estimated at £12m-£15m.
- 5.4.2 SCC is in receipt of £13.5m of High Needs Capital Funding from Central Government over 2022/23 and 2023/24. £5.2m of this is already committed to existing schemes leaving £8.3m from which it is proposed the £1m for abnormal costs will be allocated.
- 5.4.3 It should be noted, that in the absence of any information on High Needs Capital Allocations from 24/25 onwards, the remaining £7.3m would not be sufficient to fund the 5-year strategy to deliver the growth in SEND places in the strategy currently under development.
- 5.5 Abnormal capital costs
- 5.5.1 These costs cover a large range of issues including, but not limited to,

flooding and alleviation measures, utility provision and ecological provision.

5.5.2 Abnormal costs will be confirmed once in the full feasibility stage following a successful bid. However, to reduce risk, Sheffield City Council has undertaken initial feasibilities on the proposed site.

5.5.3 Sheffield's High Needs Capital allocation would be used to meet this.

5.5.4 The need to fulfil abnormal costs, and risks associated, will be the subject of a capital budget approval of £1m to be presented to Strategy & Resources Committee as part of the regular capital approvals cycle subject to approval of the bid submission by this committee.

5.6 Special Educational Needs Transport

5.6.1 Although detailed implications cannot be assessed without knowing where future students will be travelling from, broader issues and costs can be identified.

5.6.2 An additional 100 students would incur transport costs of around £500,000 per annum has been provided by the Transport service.

5.6.3 The potential location of the new school is in an area of greatest need within the city, therefore the costs of transport are likely to be lower that if transport was required to less targeted locations or our of area.

5.7 Legal Implications

5.7.1 As set out in the main body of the report, local authorities have a duty under Section 3 of the Children and Families Act 2014, as amended, to make alternative arrangements for the education of children who would not otherwise receive suitable education because of illness, exclusion, and other reasons. This applies to all children of compulsory school age resident in the local authority area, whether or not they are on the roll of a school, and whatever type of school they attend.

5.7.2 As long as the Council is satisfied that the proposals set out in this report will assist the Council to comply with this duty, then it will be acting within its powers. If the proposed application is successful any further legal implications will be considered at that stage. Successful applications will be announced early autumn 2023.

5.8 Climate Implications

5.8.1 Consultation with climate service colleagues has indicated a climate impact assessment is not possible at this point. Once the location of the schools has been confirmed and details of the build(s) provided, an assessment can be completed.

5.8.2 Despite this, an initial view is provided below against key thematic areas of the climate impact tool, to give the committee a sense of potential climate implications.

5.9 Building and Infrastructure

5.9.1 The construction of the school will be determined by central government, but it is expected this will be in line with national building standards, to reduce carbon emissions and wasted energy.

5.10 Transport

5.10.1 The AP Free School will be the first regulated AP school provision for the city, which will prevent the need for as many young people to be transported out of city too access alternative education.

5.10.2 The location of the AP Free School will be within an area of need in the city, reducing the level of transport across the city for access to this alternative/specialist education provision. This should reduce carbon emissions relating to transport in the city for pupils accessing alternative provision.

5.11 Energy

The construction of the school should mean minimal usage of energy to run and maintain the building. The Academy Trust assigned to the school, should have a focus and policy on ensuring the building is utilised as efficiently as possible.

5.12 Economy

Engagement of local contractors with the contractor that the Department for Education procures to build the school could be explored, as a means of increasing local skillsets in low carbon construction.

5.13 Nature/land use

Commissioned feasibility activity will highlight any issues with a site identified for the school, and if developed and appropriate, steps would be taken to manage and minimise any risk to nature and biodiversity.

6. ALTERNATIVE OPTIONS CONSIDERED

6.1 No bid

The alternative would be for Sheffield not to put a bid into the Department for Education. This would minimise any risks but would remove the opportunity to receive funding for a capital build and initial base running costs of a provision.

7. REASONS FOR RECOMMENDATIONS

- 7.1 We are recommending that the Local Authority supports and contributes to two bids to the Department for Education's Alternative Provision round as this is an excellent opportunity for Sheffield to develop provision in the city. If successful, this would provide the capital costs to build a new provision that may not otherwise be possible.
- 7.2 Ultimately this is an opportunity to expand and build on our approach to Alternative Provision to meet the needs of our most vulnerable children and young people.