

CAPITAL FUNDING ALLOCATION FOR EDUCATION & SEND

Cabinet Member & Portfolio	Cllr Susan O'Brien, Cabinet Member for Children, Families and Education Cllr Martin Goddard, Cabinet Member for Finance
Responsible Officer	Julie Kelly, Corporate Director of Children Services
Report Author & Directorate	Abi Preston, Director of Education & SEND
Papers with report	Appendix 1 – DfE Guidance High Needs Provisional Capital Allocations: High needs provision capital allocations - GOV.UK Appendix 2 – Capital release request

HEADLINES

Summary	To seek Cabinet approval to: <ol style="list-style-type: none">1. Use the underspend of £6,065k by rephasing 2 existing 2024/25 budgets (secondary school expansion and temp classrooms) to fund future specialist provision in Hillingdon.2. Note the strategy to extend the secondary provision as outlined in Hillingdon SEND & AP strategic documents.3. Approve a Capital Release of £540,000 for internal adaptations to be carried out at Bishop Ramsey School to create a specialist provision of up to 32 places.4. Delegate authority to efficiently determine further capital projects and spend within the capital budget.
Putting our Residents First Delivering on the Council Strategy 2022-2026	This report supports our ambition for residents / the Council of: An efficient, well-run, digital-enabled council working with partners to deliver services to improve the lives of all our residents This report supports our commitments to residents of: Safe and Strong Communities
Financial Cost	From the budget of £6,056k, the initial project at Bishop Ramsey will cost £540k as outlined above. This is grant funding received by the Department for Education (DfE) to deliver additional capital provision for children.
Select Committee	Children, Families and Education Select Committee.
Ward(s)	All

RECOMMENDATIONS

That:

- 1) the creation of a budget from the DfE High Needs Capital funding listed below for the expansion of specialist provision in mainstream schools for 2025/26 and subsequent years, be approved, noting this will be by using the underspend of £6,065k by rephasing 2 existing 2024/25 budgets (secondary school expansion and temp classrooms) to fund future Specialist Resource Provisions and Designated Units in Secondary schools to mirror those created in Primary schools;
- 2) the strategy to extend secondary school specialist provision in line with the Hillingdon Local Area, be noted as set out in the SEND and Alternative Provision Strategy and Hillingdon SEND & AP Sufficiency Strategy. This includes the expansion of Specialist Resource Provisions (SRPs) and Designated Units (DUs);
- 3) the Capital Release of £540k for internal adaptations to be carried out at Bishop Ramsey School to create a specialist provision (SRP) of up to 32 places (Appendix 2), be approved.
- 4) authority be delegated to the Cabinet Member for Children, Families & Education, in consultation with the Cabinet Members for Corporate Services & Property and Finance & Transformation to:
 - a. To decide which school capital projects will be approved from the budget in line with the above strategies.
 - b. To release funding from the budget for the agreed school capital projects.

Reasons for recommendation(s)

The SEND population has grown significantly since the 2014 SEND reforms with the greatest growth taking place in the statutory EHCP category. Historically, the number of children and young people requiring specialist provision has exceeded the capacity of the provision in Hillingdon, however, there have been a number of developments to address this, including a successful bid for an all through special free school. Our ambitious SEND capital programme developments enabled the area to meet the needs of most of the cohort in recent years and work is still ongoing to further develop our specialist provision in mainstream schools.

This is a key focus for the government as there is a plan to develop further provisions in mainstream to accommodate a range of needs and reduce reliance on special schools. There are plans to expand the special schools offer, develop more Specialist Resources Provisions (SRPs) and Designated Units (DU). See Hillingdon SEND Sufficiency Strategy 2025 (Background paper 2).

Alternative options considered / risk management

Rising demand and costs have put pressure on the Dedicated Schools Grant (DSG) and the LA has developed a DSG Deficit Recovery Programme with a Safety Valve agreement with the DfE. Without this commitment for the 2025/26 capital funding, officers would not be able to deliver on the key strategic priority for the Council through creating additional specialist provision within mainstream secondary schools. This would lead to additional costs being incurred by the LA through placement of children and young people in Independent, Non-Maintained Special Schools (INMSS) which could be out of borough, including additional transport costs. Part of the SEND & AP strategy is to aim to educate children in their local community wherever possible to avoid lengthy journeys to school and be educated with their peers in their community.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

The capital investment will support delivery of new SRPs and DUs in secondary schools, to support the increasing demand for specialist places as outlined in our SEND and Alternative Provision Strategy and Hillingdon SEND & AP Sufficiency Strategy mentioned earlier, including:

- Developing more provision to meet the range of needs locally in the Borough, including additional SRP places and Designated Units
- We will deliver new, ambitious and innovative provision that enables children and young people with SEND to receive excellent education in their local community

This will include a range of projects aimed at delivering at least 80 new specialist provision places in mainstream secondary schools across the Borough by September 2026. In order to progress these projects, a range of actions are required as set out overleaf:

1. **Approve the creation of a budget totalling £6,065k** to ensure that capital funding is committed to the creation of specialist provision in mainstream schools in Hillingdon from the current High Needs Provision Capital Allocations, and the allocations for 2025/26 and subsequent years

High Needs Provision Capital Allocations (HNPCA) are paid to local authorities to support the provision of places for children and young people with Special Educational Needs and Disabilities (SEND) and those pupils requiring Alternative Provision (AP). The funding can be used to adapt classrooms to be more accessible for children with SEND, to create specialist facilities within mainstream schools that can deliver more intensive support adapted to suit the pupils' needs, and to create special school places for pupils with the most complex needs.

Note and agree the strategy to extend our secondary provision in line with strategic priorities. A key priority in the SEND Sufficiency Strategy 2025 is to “deliver new, ambitious and innovative specialist provision that enables children and young people with SEND to receive excellent education in their local community, with sufficient places at all stages planned to meet the current and future demands.” Also, within the Local Area Partnership SEND and AP strategy 2023-28, our third Ambition is focused on ensuring ‘Provision meets the needs of Hillingdon’s children and young people’. The current challenge is to continue to develop more specialist provision within mainstream settings through SRPs and DUs in mainstream secondary schools.

There are currently 81 more places in primary resource provisions (SRPs and DUs) than in secondary schools. This means there is no clear pathway for these young people to move into from primary school, often putting more pressure on high demand special school places as a result. Additional places in secondary schools must be created to enable primary age children to move seamlessly through their mainstream education with the appropriate levels of support. The latest data suggests that the average cost of a special school placement is £33,678 per year and for INMSS it is £50,112. In comparison, a placement at an SRP costs £20,000 and in a Designated Unit is £25,000. Therefore, the new provisions will lead to long term cost savings and allow special schools to focus on supporting the most complex children and young people.

These additional specialist places need to be developed in Hillingdon in the next few years to meet the rising demand for places, to minimise the use of independent provision, and to reduce travel times for children and young people. The aim is to increase the use of local maintained education spaces and promote integration of pupils into mainstream, where possible. Recently completed projects have been delivered in partnership with schools and academies that have surplus physical capacity and have commitment to inclusion along with expertise in managing change.

The diagram below demonstrates the graduated approach to the structure of our education provision, starting with mainstream school for the majority of pupils, and reaches specialist provision for pupils with the most complex needs. It is expected that pupils will access the level of educational provision that best meets their individual needs, which are assessed and reviewed regularly by a range of professionals.

Graph 1: A Spectrum of Provision



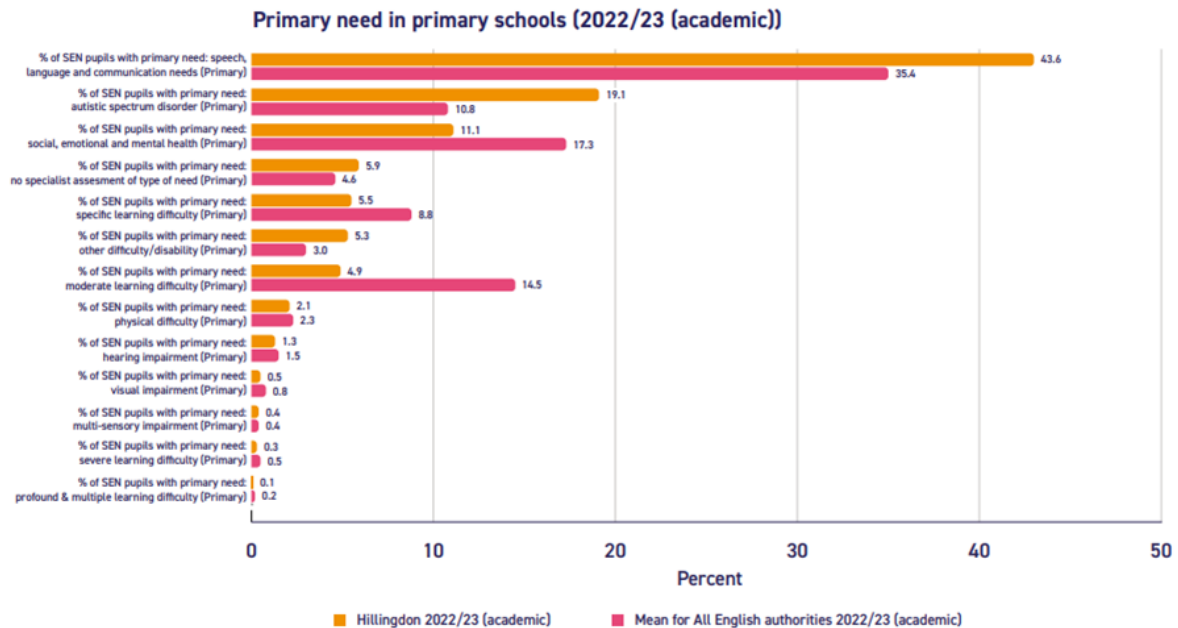
There are currently a total of **142** SRP and DU places in primary schools compared to **61** places in secondary schools. Around 65% of the total number of places in these SRPs and DUs are for pupils with ASD, which is our largest cohort, followed by pupils with Speech, Language and Communication Needs (SLCN) at around 14%. Projections suggest these two designations will continue to increase for the next 7 years.

Table 1: Current provision in Hillingdon based on designation

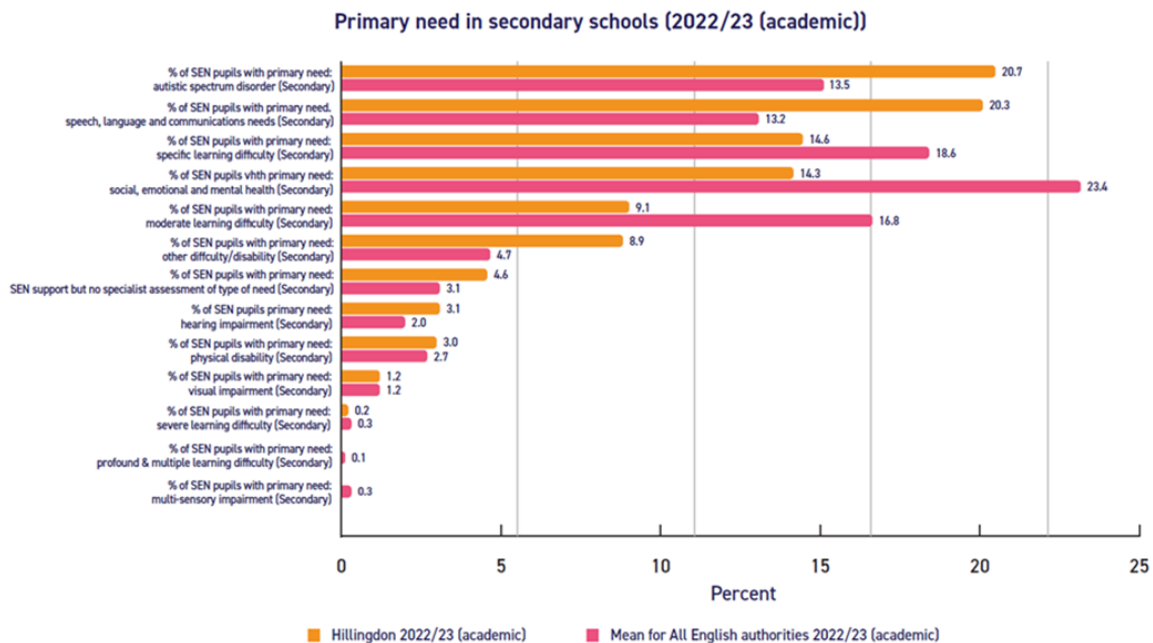
	Primary SRP Places	Secondary SRP Places	Difference	Primary DU Places	Secondary DU Places	Difference
Autistic Spectrum Disorder	80	12	68	24	16	8
Physical Disabilities	9	7	2	0	0	0
Speech, Language & Communication Needs	18	10	8	0	0	0
Hearing Impairment	11	16	-5	0	0	0
Total	118	45	73	24	16	8

Based on the data available, we predict there will be an increase of 25% in the number of EHCPs where autism (ASD) is identified as the primary need. We know that the current available provision in the borough will not be meet this demand. Through the strategy, we aim to continue the work we started in increasing the local specialist provision to meet the needs of pupils with autism in Hillingdon schools.

Graph 2: Primary Need in Primary Schools 2022/23



Graph 3: Primary Need in Secondary Schools 2022/23



2. **Note the strategy to extend our secondary school specialist provision in line with the Hillingdon Local Area: SEND and Alternative Provision Strategy for Children and Young People 0-25 years 2023 – 2028 Strategy (Background paper 1) and Hillingdon SEND & AP Sufficiency Strategy 2025 – 2030 (Background paper 2). This includes the expansion of Specialist Resource Provisions (SRPs) and Designated Units (DUs). The Hillingdon SEND and AP Strategy, along with the SEND Sufficiency Strategy, sets out how the London Borough of Hillingdon and our partners across the SEND Local**

Area Partnership intend to ensure that there is sufficient high-quality specialist provision, in both mainstream and special school settings, to meet the future needs of children and young people with SEND in Hillingdon.

Officers have been working closely with a number of secondary schools, and 3 feasibility exercises have already been completed so far to understand the options available on each site. Options range from internal adaptations to existing buildings to the creation of a standalone building on site to provide specialist provision. For internal adaptations estimates for a range of sites that we have considered were quoted upto £645k (not including the contingency costs). If a separate building is considered as the best possible option (or the only option) for the site, these costs would be significantly higher than the costs provided for the internal adaptations. The focus currently is to identify schools with the available space that could be repurposed, as opposed to building new provisions, in order to maximise the use of the budget. This must be balanced with the need for schools to be positioned throughout the Borough so they are accessible to those families where there is the highest need. There is also a need to ensure that any new secondary schools who we are considering developing an SRP or DU needs to be in a school who demonstrate a strong inclusive ethos.

The aim is to open a new specialist provision in 3 secondary schools for September 2026, enabling at least a further 80 children to access specialist provision in a mainstream secondary school in Hillingdon. This would allow those children who are supported in provisions in primary schools to continue with similar support into their secondary school phase.

- 3. Approve the Capital Release of £540,000 for internal adaptations to be carried out at Bishop Ramsey School to create a specialist provision of up to 32 places (Appendix 2).** The new ASD provision at Bishop Ramsey secondary school is planned to open at the start of September 2026. With the construction phase of the scheme taking place in the summer term and holidays in 2026. This school has been identified as it is in an appropriate location and the school has a strong inclusive ethos. The project is estimated as £540,000 and uses existing space within the school to create the new provision. The project includes fees & surveys, construction, fixtures & fittings, and contingency costs.
- 4. Delegate authority to Cabinet Members for more efficient decision-making on project and spend decisions within approved budgets.**

Financial Implications

Creating the budget to receive the DfE capital allocations outlined above, and delegating authority as outlined above, allows the additional provision to be delivered to support the needs of children across Hillingdon in line with the agreed strategies for education.

If the Local Authority are not able to create provision in the secondary phase to help match the provision created through the primary school projects, this would lead to additional costs being incurred by the Council through placement of children and young people in Independent and Non-Maintained Special Schools (INMSS) which will have a negative impact on the DSG recovery plan

and could also be out of borough and, therefore, include significantly higher transport costs which are funded by General Fund revenue.

The creation of additional provision within the borough will result in the reduction of operational costs of education for children with SEND. This will reduce pressure in achieving strategic targets for the operation and management of the high needs block.

Secondary Schools Expansion Budget £6,065k; Previously Released £0k; Capital Release Requested £540k - Appendix 2

The report seeks the rephasing of £6,065k underspends from 2024/25 to 2025/26, this currently comprises of two existing budgets which are the secondary school budget and the temporary classrooms budget once rephased this will be combined to make one secondary school budget. The budget is financed combination of £4,765k grant funding and £1,300k Council resources. The rephasing is subject to ratification by Cabinet in the outturn report.

The report also is seeking the capital release request of £540k from the Secondary School Budget for the internal adaptations at Bishop Ramsey School to create a Specialist Provision (SRP) of up to 32 places. The scheme will be carried out by the school and overseen by LBH officers. Payments will be made to the school in stages.

The remaining £5,465k of the secondary school budget will be allocated to future special resource provision and or designated unit schemes in secondary schools and is subject to the capital release process.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon Hillingdon residents, service users and communities

The recommendations, if approved, will ensure there are sufficient specialist education provision within our mainstream schools to meet the needs of our residents.

Consultation & Engagement carried out (or required)

Consultations will be undertaken when proposing to open a specialist provision in a mainstream school following the relevant DfE guidance [Making significant changes to maintained schools](#) or [Making significant changes to an academy](#).

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance have reviewed this report and concur with the Financial Implications set out above, noting approval is sought to establish a budget from the Department of Education's High Needs Capital funding of £6,065k to support the expansion of specialist provision in mainstream secondary schools from 2025/26 onwards to align with the Hillingdon Local Area SEND and Alternative Provision Strategy 2023-2028 and the SEND & AP Sufficiency Strategy 2025-2030,

along with approval for the capital release of £540k from the new established budget for the internal adaptations required at Bishop Ramsey School to create a 32-place SRP.

Furthermore, it is noted that the new capital budget of £6,065k for the expansion of specialist provision in mainstream secondary schools will be met through the rephasing of underspends from 2024/25 to 2025/26, from two existing capital budgets within the secondary school expansion capital programme and the temporary classrooms capital programme, with the financing being met through a combination of £4,765k grant funding and £1,300k of Council resources.

The capital expenditure and financing relating to this project will be monitored through the monthly monitoring cycle and as part of the wider MTFS.

Legal

The Education Act 1996 imposes various duties on the Council with regards to education and physical development of the community by securing that efficient primary education, secondary education and further education is available to meet the needs of the population of their area. Section 14 of the 1996 Act further requires the Council to secure that sufficient schools for providing primary and secondary education are available in their area, "sufficient" referring to number, character and equipment to provide for all pupils the opportunity of appropriate education. The Council is required to exercise this function having particular regard to the need for securing that special educational provision is made for pupils who have special educational needs. Moreover, under section 19 of the 1996 Act, the Council is required to make arrangements for the provision of suitable education at school or otherwise for children who, for any reason, may not for any period receive suitable education unless such arrangements are made for them. "Suitable education" means efficient education suitable to a child's age, ability, aptitude, and special educational needs.

More specifically, Part 3 of the Children and Families Act 2014 imposes on the Council various duties in relation to children with special educational needs or disabilities. Pursuant to section 27 of the 2014 Act, the Council must keep under review the education provision, training provision and social care provision made in its area for children and young people who have special educational needs or a disability and to consider the extent to which the provision is sufficient to meet educational needs, training needs and social care needs of the children concerned.

The recommendations set out in this report will help the Council deliver on its legal duties outlined above. Thus, there are no legal implications to following the recommendations set out in this report.

On an ongoing basis, the Council must ensure it complies with the public sector equality duty under section 149 of the Equality Act 2010 and the terms and conditions of the Dedicated Schools Grant and Safety Valve Agreement. The Council must, in exercising its SEND functions, consider and follow the relevant statutory code of practice: Special educational needs and disability code of practice: 0 to 25 years (January 2015).

This report also states that consultations will be undertaken when proposing to open a specialist provision in a mainstream school. For a consultation to be lawful, it must meet public law principles of fairness and adequacy along with any statutory or policy requirements specific to the consultation at hand.

BACKGROUND PAPERS

Background paper 1 – [Hillingdon Local Area: SEND and Alternative Provision Strategy for Children and Young People 0-25 years 2023 – 2028 Strategy.](#)

Background paper 2 – [Hillingdon SEND & AP Sufficiency Strategy 2025 – 2030](#)

TITLE OF ANY APPENDICES

Appendix 1 – DfE Guidance High Needs Provisional Capital Allocations: [High needs provision capital allocations - GOV.UK](#)

Appendix 2 – Capital Release Request

APPENDIX 2 – CAPITAL RELEASE REQUEST

Secondary Schools Capital Budget (CR 2)

Location	Project/ Expenditure Title	Information	Funds Release Sought £000's	Approve	Hold	More Information Required
Bishop Ramsey School	Internal adaptations for Specialist Resource Provision	Internal adaptations to be carried out at Bishop Ramsey School to create a specialist provision (SRP) of up to 32 places	540			
Total seeking release			540			
Previously released			0			
Budget			6,065			
Remaining budget			5,525			