

PURPOSE: Key decision**MEETING:** Cabinet**DATE:** 06 December 2022

TITLE	Independent and Non-maintained special school placements - block contract	
Ward(s)	City Wide	
Author: Gail Rogers	Job title: Head of Children’s Commissioning	
Cabinet lead: Cllr Asher Craig - Deputy Mayor and Cabinet Member for Children’s Services, Education and Equalities	Executive Director lead: Hugh Evans – Executive Director, People	
Proposal origin: BCC Staff		
Decision maker: Cabinet Member Decision forum: Cabinet		
Purpose of Report: To approve the running of a competitive tender and subsequent award of a block contract for 30 placements in an independent special school in the Bristol area (BS1 – BS16), for the next 5 years. These placements will be for children who present with a range of complex additional learning needs.		
Evidence Base: <ol style="list-style-type: none"> 1. The purpose of an Education Health and Care Plan (EHCP) is to identify the educational, health and social needs of a child or young person aged 0 to 25 years old with special educational needs or disabilities, who needs more support in their educational setting beyond the usual resource they provide. The EHCP sets out the additional support and identifies the education provision required to meet those needs, to secure the best possible outcomes for the young person across education, health, and social care and, as they get older, prepare them for adulthood. 2. The majority of children and young people with Special Educational Needs or Disabilities (‘SEND’) will have their needs met within local mainstream early years settings, schools, or colleges. However, for some children an EHCP will mandate that their needs are best met in a specialist setting. Most of these children and young people’s needs can be met in maintained special schools or special academies. Where a child or young person’s needs are particularly complex, their needs may be better met in an Independent or Non-Maintained Special School (INMSS). INMSSs offer highly specialised, bespoke packages of support with potential for therapeutic interventions to be built into the setting. Once special educational provision has been specified in an EHC plan, the Local Authority has a legal duty to provide it. 3. As off 11th of August 2022 there are 3,641 children with an EHCP in Bristol. As of January 2022, 1223 Children and Young People with an EHCP are educated in a specialist setting. This is an increase of 35% since 2018. 192 of these are educated in an Independent or Non-Maintained School - this is an increase of 46% since 2018. As the number of EHCP’s continues to rise, so will the demand for special school placements and the need for INMSS placements. 4. The Council is a member of the South West and South Central Independent and Non-Maintained Special Schools framework. The Council will use the block contracting clauses within this framework agreement to 		

run a competitive tender (complaint with the Public Contracts Regulations 2015) for a provision within BS1-BS16.

5. The Council has set a maximum annual placement cost of £70,000 (inclusive of learner’s individual requirements such as therapies). This figure has been benchmarked against similar placements and offers good value for money whilst being financially feasible for a provider.
 - a. Cost breakdown:
 - b. Annual placement cost: £70,000
 - c. Total yearly contract cost: £2,100,000
 - d. Total 5 year contract cost: £10,500,000

6. Block contracting these placements should deliver greater value for money as we are able to negotiate a reduced price. The Council will reserve the right to re-negotiate the annual placement costs in year’s 4 and 5 of the block. The Council is confident that we will need these highly specialised placements. However, we reserve the right to transfer any unfilled places to other local authorities.

7. The Council is committed to a building a partnership with the successful provider. Minimum quarterly monitoring meetings will take place, focusing outcomes delivered for our children and young people and on-going development of provision.

Cabinet Member / Officer Recommendations:

That Cabinet:

1. Authorises the Executive Director People, in consultation with the Cabinet Member for Children's Services, Education and Equalities, to procure and award the contract necessary for the implementation of the Independent and Non-Maintained Special School Placements block contract (including any individual contracts above £500k) at a cost of up to £10.5m as set out in this report.

2. Authorises Executive Director People to invoke any subsequent extensions/variations specifically defined in the contract(s) being awarded, up to the maximum budget envelope outlined in this report.

Corporate Strategy alignment:

1. Equity in education. This proposal will contribute to our ambition to ensure that we are commissioning local specialist education provision to meet the needs of children with SEND
2. Create improved approaches, founded upon Disability Equality, to enable and support Disabled people throughout their lives. This proposal will contribute to our ambition to ensure fair and efficient funding of support provision for schools

City Benefits:

1. There will be significant social value opportunities to ensure the potential provider links their economic growth to social and economic growth of the local area.
2. Increasing the number of local school placements will mean more children and young people with SEND educated close to home.

Consultation Details:

1. Consultation has taken place with the SEND Service Manager, Specialist Education Placements Manager, the Strategic Commissioning team and Procurement colleagues.

Background Documents: [Children and Families Act 2014 \(legislation.gov.uk\)](http://legislation.gov.uk)

Revenue Cost	£10,500,000	Source of Revenue Funding	High Needs Block
Capital Cost	£ N/A	Source of Capital Funding	N/A
One off cost <input type="checkbox"/>	Ongoing cost <input checked="" type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: This report seeks approval to run a competitive tender and award a block contract for 30 placements in an independent special school in the Bristol area (BS1 – BS16), for the next 5 years. These placements will be for children who present with a range of complex additional learning needs and it is anticipated that this will cost c£2.1m per annum and c£10.5m over the five year contract period as set out below.

	TOTAL	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Per Placement	350	70	70	70	70	70
No. of Placements	30	30	30	30	30	30
Contract Cost	10500	2100	2100	2100	2100	2100

This will need to be funded from the Dedicated Schools Grant, High Needs Block which is currently forecast to spend £82m on a budget of £63.5m and is therefore forecasting an overspend of £18.5m in 2022/23. (If this £18.5m overspend is added to the overspend balance brought forward from previous financial years, the cumulative deficit on the High Needs Block becomes £44.9m).

Whilst it is understood that it is proposed to bring children who are already receiving education, outside of Bristol back into the area and that this may reduce more costly out of area spend on alternative provision, it will also offer school places to some young people who have no other offer. On this basis this may not substitute existing spend and there is a risk of additional cost pressures on the High Needs Block. This contract will therefore need to substitute existing high needs spending or will create an additional further budget pressure of £10.5m.

It is understood that the cap of £70,000 per placements using a block contract, represents a potential saving in comparison to existing average spot purchase costs of approximately £72,063, which is £2063 cheaper per placement and it also avoids out of area travel costs.

Finance Business Partner: Denise Hunt 27 October 2022

2. Legal Advice: The procurement process must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the conduct of the procurement process and the resulting contractual arrangements

Legal Team Leader: Husinara Jones, Team Manager/Solicitor 14 November August 2022

3. Implications on IT: I can see no implications on IT in regard to this activity.

IT Team Leader: Alex Simpson – Senior Solution Architect 25th August 2022

4. HR Advice: There are no significant HR implications for Bristol City Council employees arising from this report.

HR Partner: Lorna Laing 25/10/2022

EDM Sign-off	Hugh Evans	09/09/2022
Cabinet Member sign-off	Cllr Asher Craig	31/10/2022
For Key Decisions - Mayor's Office sign-off	Mayor's Office	07/11/2022

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO

Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	No
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO