

TELFORD & WREKIN COUNCIL

CABINET

23 FEBRUARY 2012

SCHOOL ORGANISATION - JIGSAW SCHOOL

**REPORT OF ASSISTANT DIRECTOR FAMILY & COHESION SERVICES
AND ASSISTANT DIRECTOR EDUCATION CULTURE AND SKILLS**

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

The purpose of this report is to consider need and set out proposals for the potential reconfiguration of education provision at the Jigsaw School site in Hadley, Telford. This has been undertaken as a result of the recent review of the current service delivery arrangements at the Jigsaw site.

2. RECOMMENDATIONS

- 2.1 It is recommended that subject to being able to appropriately re-commission accommodation provision currently provided at JIGSAW Cabinet agree a period of consultation for establishing a specialist ASD school. Initially the school would be managed and governed by Hadley Learning Community which would allow more detailed proposals for an ASD school to be developed and presented to Cabinet at a later date.
- 2.2 That the results of consultation be brought back to a future Cabinet for further consideration of a final option for JIGSAW school. This report will also include option for the the four purpose built 4 bedded children's homes which form a crescent adjacent to the school.

3. SUMMARY IMPACT ASSESSMENT

| | | |
|---|---|---|
| COMMUNITY IMPACT | Do these proposals contribute to priorities emerging from budget consultation? | |
| | Yes | Our own JIGSAW school will establish a strong relationship with employers and support growth through developing an appropriate skilled and motivated workforce (A growing local economy to create jobs), Children and their families will be supported to success through good quality education (Improved life chances for all), the needs of children and young people are best met in their families and communities (vulnerable children are protected), and by working with employees, service users (children, young people and their families) we will improve outcome for this group (a cooperative Council working with the community). |
| | Will the proposals impact on specific groups of people? | |
| | Yes | This policy will impact on children who are assessed as having a special educational need which is currently not being appropriately met in our maintained schools, leading to a number of high cost external placements. In particular a number of children and young people with Autistic Spectrum Disorder (ASD) and behaviour, emotional and social development (BESD) needs |
| TARGET COMPLETION/DELIVERY DATE | The proposed project will be delivered in two phases with the first phase commencing in September 2012 (the school in its current form taken over by an existing maintained school) and then September 2013 the school would become an ASD and BESD school. | |
| FINANCIAL/VALUE FOR MONEY IMPACT | Yes | The financial implications and risks associated with these recommendations are detailed in Section 8 of this report. Further discussions on the interim solution would need to take place before a robust assessment of the cost of the recommendation in paragraph 2.1 could be given. More detailed financial modelling of the long term proposals will take place when the results of the consultation are known and more defined options are explored. Based on the very limited information currently available it is anticipated that a revised model for the provision of education on the Jigsaw site should produce some savings. There are financial risks which could arise from the transitional arrangements which will need to be put in place to progress these proposals. TAS 13.2.12 |

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|---|-----|---|
| LEGAL ISSUES | Yes | A full Legal Comment is provided at Part B) Additional Information at Paragraph 9 |
| OTHER IMPACTS, RISKS & OPPORTUNITIES | Yes | <ul style="list-style-type: none"> • It should be noted that the recommendation below can only proceed if we are able to commission alternative appropriate accommodation for young people residing in the JIGSAW care homes. The move on plans for young people must take into account the needs and wishes and the care plan for each young person currently resident in the JIGSAW houses. • There is a risk that the DfE and/or school governing body at HLC will not approve this proposal. The Council is currently in discussions with both the DfE and Principal and Governors of HLC over these proposals. |
| IMPACT ON SPECIFIC WARDS | No | Children and young people attending JIGSAW school come from across the Borough. JIGSAW school is located in the Hadley & Leegomery Ward. A change in status will not have any significant impact on the ward. |

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

- 4.1 Jigsaw is part of the Hadley Learning Community Private Finance Initiative. The premises at Jigsaw comprise the school unit (for 30 pupils) with sports hall and grounds and car parking. Four purpose built 4 bedded children's homes form a crescent adjacent to the school.
- 4.2 We hold a contract with Castle Care to the value of £942,039 for the school provision. This funds 30 places at the school for children in key stages 3 & 4 (11 – 16 yrs) with significant and complex behavioural, emotional and social difficulties (BESD) who are on school action plus and may have a statement of educational need (SEN).
- 4.3 Current special provision, including JIGSAW does not meet present needs, with secondary phase special school provision at capacity, leading to a number of high cost external placements. There is space within the current JIGSAW school for at least 12 additional students. Furthermore recent benchmarking work suggests that our contract with Castlecure to operate JIGSAW Education no longer represents value for money.
- 4.4 We are also considering options for using the 4 houses on the JIGSAW site (see background in Annex A). A separate report will be brought to Cabinet setting out options for the JIGSAW care shortly. It should be noted that the recommendation below can only proceed if we are able commission alternative appropriate accommodation for young people residing in the Jigsaw care homes. The move on plans for young people must take into account the needs and wishes and the care plan for each young person currently resident in the JIGSAW houses.

5. IMPACT ASSESSMENT – NEEDS & DEMAND

- 5.1 A task and finish group comprising managers from disabled children's services, education, SEN, commissioning and school improvement undertook an analysis of need focussing on Telford and Wrekin students with a Statement of Education Need (Statement) 20 hrs+ attending a range of education establishments including independent schools (out of Borough placements), Jigsaw school, mainstream and Mount Gilbert.
- 5.2 The analysis involved a review of children's education files to establish the primary needs identified in their Statement. The group also collated financial commitments for our out of Borough placements with independent special schools.
- 5.3 The group analysed the numbers and ages of children and young people placed in out of Borough provision during the years 2008/09, 2009/10 and 2011/12 to consider the trajectory of placements and need. The group also collected data on the needs of children and young people placed in Jigsaw school, mainstream schools and Mount Gilbert Special School for 2011/12.
- 5.4 This analysis concluded that the biggest individual cohort of children and young people placed were those who fell into the Autistic Spectrum Disorders (ASD) and Behaviour, Emotional and Social Development (BESD) category of need.
- 5.5 The task & finish group identified that in 2011/12 the total cohort of children and young people in the ASD/BESD category of need numbered 41 (9 of these are educated in independent schools (excludes JIGSAW)).
- 5.6 29 children are currently on roll at JIGSAW school. Of those 10 are on the autistic spectrum or have ASD with BESD.
- 5.7 The conclusion is that this cohort could therefore form an ASD/BESD specialist school provision operating from JIGSAW school. If this proposal is approved a period of transition will be required with changes taking places over a number of years.

6. PROPOSALS

- 6.1 The Council develops a specialist ASD school for children and young people who also experience behavioural, emotional, and social difficulties (BESD). The provision would work towards achieving the standards of the NAS Autism Accreditation Scheme. This provision will compliment provision already in place or being developed in mainstream primary and secondary schools for children and young people at the lower end of ASD or BESD need.

6.2 To allow time to develop a specialist ASD school it is proposed that the existing school be annexed to Hadley Learning Community with leadership being provided by a Vice Principal JIGSAW working to the Principal at HLC with effect from September 2012. This will allow JIGSAW to benefit from the Principal at HLC's Local Leader in Education (LLE) status. HLC is an improving school with the capacity to support JIGSAW school as well as being able to absorb the Key Stage 4 results for the additional students with statements and not be at risk of falling below the Floor Standard. We are in preliminary discussions with the school about interim arrangements. It is anticipated that these arrangements would be confirmed during the consultation phase.

6.3 **Benefits:**

- We would address the needs of this specific group locally
- We could realise financial savings
- We would reduce journey times for children and young people and their families
- We would align relationships with Interserve our Pfl contractor

6.4 **Risks:**

- Robust access criteria would be required to manage and prioritise demand.
- We need to ensure that multi agency colleagues support these proposals
- The DfE reject proposals for reconfiguration (The Council must seek the approval of the DfE to this proposal)

6.5 ASD schools often provide residential accommodation for some of their pupils. Further work during the implementation phase working with our proposed partner would examine an option for using a JIGSAW house/s for this purpose. Initial work indicates that the houses would be capable of being used for this purpose.

6.6 Other options including extending the present contract with Castlecare, opening a new local authority school and re-procuring school provision have all been considered and rejected. It is not clear from consultation with the DfE whether we would be allowed to open a new local authority school or whether this would need to be an academy. These options have been rejected at this stage but will be re-evaluated during the second phase of implementation where we develop our offer to develop an ASD and BESD school.

7. **CONSULTATION TIMELINE**

7.1 In line with statutory requirements and the Council's "Cooperative Council" priority we will work with employees and our community through a series of engagement and consultation sessions with partners, stakeholders and service users including:

- parents from across Telford & Wrekin will be asked for their views on the need for a local specialist school for young people with autism. We will also consult with existing groups and organisations including Parent Partnership Services, Parents Opening Doors (PODs) etc.
- Local schools and statutory agencies including health
- Employees of JIGSAW school and care homes

- Parents and carers (including corporate parents) of children and young people at the JIGSAW school

7.2 As the contract with the current providers of education at the Jigsaw school is due to end in July 2012, consideration is being given to the processes needed in order to continue the school with a new education provider from September 2012.

7.3 The proposal set above would involve the TUPE transfer of staff to HLC with effect from 1st September 2012. As the staff are Castlecare employees they would have to arrange communication to staff and a consultation period prior to the transfer, The Council would represent the school as the receiving employer. Indicative dates for Castlecare are shown in light grey below.

7.4 The following indicative timetable would enable transition to phase 1 with effect from 1st September 2012:

| No. | Activity ¹ | Date By |
|------------|---|--------------------------------------|
| 1 | Cabinet approval to consult | 23rd February 2012 |
| 2 | Consultation Begins | 27th February 2012 |
| 3 | Staffing structure (with nominations) published for consultation | 27 th February 2012 |
| 4 | Statutory consultation ends (full 6 weeks) | 16th April 2012 |
| 5 | Staffing structure (with nominations) consultation closes | 16 th April 2012 |
| 6 | Cabinet to consider outcome of consultation | 26th April 2012 |
| 7 | Response to comments, final staffing structure and recruitment timetable published | 27 th April 2012 |
| 8 | Recruitment process commences | w/c 30 th April 2012 |
| 9 | Recruitment process completed | w/e 11 th May 2012 |
| 10. | Publish statutory notice (PN) – assumes cabinet approval | 30th April 2012 |
| 11. | If necessary – staff informed of potential redundancy and invited to Individual consultation meeting. | w/c 14 th May 2012 |
| 12. | If necessary – notice of redundancy issued and right of appeal given | By 31 st May 2012 |
| 13. | PN Representation period complete | 11th June 2012 |
| 14. | Cabinet make final decision | June 2012 |

7.5 Following the Cabinet decision some bodies are entitled to lodge an appeal with the Office of the School's adjudicator which could take a further 4 to 6 weeks

¹ School Organisation Required dates shown in bold

8. FINANCIAL COMMENT

- 8.1 Delivery of the school provision on the Jigsaw site costs the Local Authority £942,039 p.a. which is paid to the contracted service provider. There are also other costs associated with the premises which are incorporated in the PFI contract with Interserve,
- 8.2 The costs of the 9 children and young people with ASD (and BESD) in out of Borough independent provision was £767,232 at the time of data analysis.
- 8.3 By increasing the capacity at JIGSAW to accommodate an additional 10 to 12 children and young people and by re-designating the school ASD/BESD we would expect to reduce the unit cost per pupil and reduce the cost of external placements.
- 8.4 Further detailed work on any long term option would need to be carried out before any robust assessment of financial implications could be made. In general the option should produce savings by reducing the need for expensive out of area placements and other associated costs but only if the final model could be put in place at reduced unit costs.
- 8.5 Based on the current Local Authority schools funding formula any provision through a Local Authority maintained school could be at a lower cost although the specific characteristics of the school and pupils would need to be assessed before this could be known. It is likely that these type of pupils could attract a need for increased funding. The Government's planned future changes to school funding could also have an impact on this position.
- 8.6 As a guide to the likely future cost of this provision the funding via the local schools funding formula for a special school provision of 40 places (excluding PFI costs) has been calculated. This would provide a delegated schools budget of approximately £714k a reduction of over £200k on the current contract cost. It is unclear without further work what, if any, additional funding may be required for ASD pupils but factoring in an uplift of 20%, as an estimate, on the place related formula would increase the budget to £800k – reducing the saving against contract to £142k.
- 8.7 The interim solution recommended at paragraph 2.1 above would require existing staff to be typed over to HLC. An assessment of the likely cost of this arrangement for 12 months has been made using the limited information available. This indicates a cost of approximately £706k although further work on staffing levels and other costs would need to be carried out following discussions with HLC before this figure could be confirmed. This results in a saving of over 200k against the current contract which may be reduced once more detailed planning of the interim model has progressed. As the current costs of the contract include profit margins, contributions to the company's own central costs and some management costs, we would still expect to see a significant saving arising from this change even if the initial estimate is understated.
- 8.8 Significant short and long term costs could arise if the transitional arrangements are not carefully managed and result in existing Jigsaw pupils needing to be placed in alternative independent provision.

- 8.9 There is also the potential for additional costs to arise if the interim proposal cannot be implemented within the required timescale . These costs could arise either through a need to alternatively place children and perhaps not then be able to bring them back to a new provision or a need to extend the contract with insufficient time to successfully negotiate the new terms and conditions.
- 8.10 The financial risks and costs associated with the future provision of the care element of the existing Jigsaw contract cannot be assessed until more detailed proposals are developed. The transitional arrangements for all children placed in Jigsaw residential places will need to be carefully managed and planned as the existing contract draws to an end. Officers will be seeking to place children appropriately ensuring they meet their needs and this may result in some placements at Jigsaw becoming void before contract end. Any void placements would still be charged to the Council at a cost of approximately £3,000 per week and could have an impact on the services financial position in 2012/13. Officers are aware of this issue and would seek to mitigate additional costs as far as possible within the parameters of the needs of the children concerned.

9. LEGAL COMMENT

- 9.1 The Project Agreement dated 15th March 2005 between the Council and Pyramid Schools (Hadley) Limited (“Pyramid”), required that Pyramid would invest and participate in the design, build, servicing and maintenance of school facilities pursuant to the Private Finance Initiative at the site known as the Hadley Learning Community and Jigsaw Project.
- 9.2 All current contractual documents for the Jigsaw Project between the Local Authority and CastleCare Group Limited ,acting by its subsidiaries Castle Homes Care Limited and CastleCare Education Limited, were completed on 26.6.09.
- 9.3 These documents comprise the main Agreement ,which has a term of 3 years from 1.8.09 to 31.7.12 .This included an option to extend for 2 years under Clause 3.2., provided the parties meet to discuss the option no later than 12 months prior to the expiry date.
- 9.4 There were also 2 leases entered into for the same 3 year term, one for the school and one for houses 2 and 4.
- 9.5 Clause 20 of the Agreement deals with termination ,which enables written notice to be given by either party to the other in the event of corruption ; change of control affecting the ability to provide the services; administration; or material default that cannot be remedied.
- 9.6 Otherwise, the Agreement will terminate forthwith if the Property Agreement [i.e. the related leases] ceases in its entirety , or if the Provider ceases to be registered with Ofsted .
- 9.7 Therefore , the Agreement is coterminous with the leases and will end when the leases end.

- 9.8 There is no provision for notice to be given under the Agreement to this end , therefore when the leases end on 31st July 2012 ,the Agreement will cease, as clearly set out in Clause 20.
- 9.9 The leases are excluded from the security of tenure provisions of the Landlord and Tenant Act 1954, which means they will automatically come to an end at the end of the term, again, without notice being required.
- 9.10 Although the main contractual documents do not require notice to be given , it would be important for the Council to advise the Providers of its intentions as soon as possible ,especially due to the impact of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) (TUPE) which will be applicable to the current staff group at the school and the required statutory consultation process.
- 9.11 Schedule 2 of the Agreement covered the separate service level agreements to be entered into with Interserve Education, Pyramid, the Council or the Primary Care Trust. These will individually need to be considered as to any notice requirements that they contain if they are to be co terminous with the main Agreement.
- 9.12 The changes to school organisation are governed by the requirements of the Education and Inspections Act [2006] (the EIA) and Guidance from the Department for Children Schools and Families ,now Department for Education. The Local Authority are required to follow a statutory consultation process to establish a specialist ASD School ,pursuant to the requirements of Part 2 and Schedule 2 of the EIA [2006].

10. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

- 10.1 Our own JIGSAW school will establish a strong relationship with employers and support growth through developing an appropriate skilled and motivated workforce in line with our emerging priority “A growing local economy to create jobs”
- 10.2 Children and their families will be supported to success through good quality education in line with our emerging priority “Improved life chances for all”
- 10.3 The needs of children and young people are best met in their families and communities in line with our emerging priority “Vulnerable children are protected”. This will be achieved by reducing the need for children and young people to be placed out of Borough to meet their educational needs.

11. PREVIOUS MINUTES

N/A

12. BACKGROUND PAPERS

N/A

Report prepared by Clive Jones, Assistant Director Family & Cohesion Services, Jim Collins, Assistant Director Education, Culture & Skills and Viv McKay, Group Manager Procurement, Placements & Commissioning. Telephone: 01952 380900

Jigsaw Site Care Homes

1.0 Current Model

1.1 We currently hold a block contract for 6 residential care beds, two houses with 3 beds in each on the Jigsaw site.

2.0 Context

- Our Placements Commissioning Strategy identifies the need to increase foster care provision and decrease residential care provision.
- The review of the Jigsaw care provision identified low demand and high costs for the service provision and some inflexibility of the provision to meet need.
- We have identified a need for respite and consider that a short term assessment provision could benefit the outcomes of our young people.
- We are undertaking a major tender for a framework contract for residential provision with the other 13 West Midlands Authorities which we consider will meet our residential needs. If this proves not to be the case we can review the position and re-open a property.
- Our block contract with Castle Care for the residential care beds has an end date of 31st July 2012.

3.0 Proposal

3.1 In forming this proposal we met to review the needs and plans of the children and young people currently accommodated on the Jigsaw site and consider the implications for new referrals.

3.2 If appropriate the objective would be to reduce the number of residential care beds block purchased in 2012. We also propose to consider the delivery of a residential short term assessment for children and young people (multi agency) utilising one of the properties either as a 3 or 4 bedded unit. This provision could also offer outreach dependant upon funding. The detailed costing and model for this type of provision would be worked up in detail at a later date and we would have to tender for this provision unless delivered in house.

4.0 Residential provision

4.1 Other residential provisions will be picked up through spot purchasing arrangements using the regional residential framework. The possible risks in solely using spot purchasing arrangements are:

- Will not have direct access to a home/residential long term;
- Providers would have to match with existing children/young people and we would not know until we refer what the needs of the existing children/young people are.

5.0 Current Cohort of children and young people accommodated at Jigsaw

5.1 There are five young people accommodated within the JIGSAW children's homes.