

Cabinet

12 April 2022

Framework for Specialist and Alternative Education Placements

Recommendations

That Cabinet:

1. Approves the commencement of a procurement process to support the commissioning of specialist and alternative education placements through the independent sector.
2. Authorises the Strategic Director for Communities to enter into all relevant contracts for this purpose, on terms and conditions acceptable to the Strategic Director for Resources.

1. Executive Summary

- 1.1 Following a procurement undertaken in 2018, the Council operates two multi-provider frameworks for education placements with independent providers:
 - Specialist SEND Education Day Placements
 - Alternative Education Provision
- 1.2 The contracts for both these frameworks expire at the end of the academic year 2021-22, and it is recommended that the Council replaces these with a single combined framework to run for four years from September 2022.
- 1.3 Combining the two frameworks removes duplication and is administratively simpler for the Council and for providers.
- 1.4 The new procurement will combine the two existing framework provisions by including separate lots for:

SPECIALIST EDUCATION (primary, secondary & post-16)

- Education Day Placements for children and young people with Education, Health & Care Plans, with a high level of need which cannot be met through mainstream settings, and where appropriate places are not available through specialist state-funded provision.

ALTERNATIVE EDUCATION (age 4-16)

- Up to ten weeks education (part-time or full-time) for children and young people excluded or at risk of exclusion from school, to support reintegration into mainstream provision
- 1.5 The specification for education services is driven by statutory requirements and will be largely unchanged from the current frameworks. The main difference is that Alternative Education placements will be for a maximum of ten weeks with a focus on reintegration into mainstream settings wherever possible. This is being introduced as best practice, in line with the Council's SEND and Inclusion Change Programme.
- 1.6 The existing two frameworks have provided a Directory of approved providers that the Council and schools have used to commission places from. As well as ensuring compliance with procurement regulations, these arrangements have had the following benefits:
- Simpler referrals and brokerage of placements
 - Stable prices through the lifetime of the framework
 - A closer relationship with providers and the development of the local market
 - A clear basis from which schools can commission off-site alternative education where necessary
 - A more robust approach to Quality Assurance through agreeing bespoke contract terms and conditions for Warwickshire
- 1.7 One of the benefits of the new combined framework will be to establish a simple process through which providers can broaden their offer across the framework. For instance, alternative education providers may be in a strong position to also offer specialist education, so long as they have the appropriate registration.
- 1.8 Education placements within the independent sector are a last resort when all other options have been exhausted, and the proportion of Warwickshire learners with Education, Health & Care Plans placed in this provision has reduced from 10% in 2017 to 6% in 2021. Through the SEND & Inclusion Change Programme, the Council is aiming reduce the number of learners in independent specialist schools from 250 in 2021/22 to under 200 in 2024/25. Measures which will reduce demand for these placements include:
- a more inclusive mainstream education offer
 - an expanded Local Authority specialist education offer, including the new Warwickshire Academy
 - clear guidance for schools to limit the use of off-site alternative education and ensure placements are for no longer than ten weeks
- 1.9 The procurement is for day education only, and does not cover residential placements, which will continue to be commissioned through the Regional Flexible Contracting Arrangement.

- 1.10 On occasion, and in order to comply with its duties under the Children & Families Act 2014, the Council will still need to continue to spot purchase these services outside of the framework arrangement. This could be where the parental preference is for an education setting outside of the framework or where a learner has specific needs which cannot be appropriately met through the framework providers. This will be undertaken appropriately and in compliance with Contract Standing Orders.
- 1.11 On 29th March 2022, the Government published proposals to change the Special Educational Needs (SEND) and Alternative Provision (AP) system in England. These proposals would have a significant impact on the commissioning arrangements detailed in this report. It should be noted, therefore, that the new framework will be subject to potential revision or termination in the event that it is not compatible with changes to legislation or statutory guidance.

2. Financial Implications

- 2.1 The framework arrangement provides a mechanism through which the Council can agree an appropriate price with providers, and a platform to seek the lowest cost solution for each learner that can appropriately meet their needs. Without such a framework, the Council would have to negotiate the price of each individual placement and would have little control over inflationary pressures.
- 2.2 The combined annual value of the two existing framework contracts has been over £16 million for the past three years.
- 2.3 The services are funded through the Government's Dedicated Schools Grant (DSG). The Council has been overspending against this Grant for a number of years and has an accumulated deficit of approximately £12.6 million.
- 2.4 The annual overspend and accumulated deficit is being addressed through the Council's SEND & Inclusion Change Programme (SICP) and DSG Recovery Plan. As part of these plans, the Council aims to reduce expenditure on places at independent specialist schools from over £13.5 million in 2021/22 to less than £9.5 million in 2024/25.
- 2.5 The planned savings will be achieved through both (a) the demand reduction measures detailed in paragraph 1.9, and (b) a smarter approach to commissioning which aims to reduce the average cost of placements, and secure the best possible value for money for the Council, through:
- Incorporating a value for money evaluation into the procurement process
 - Awarding each placement to the lowest-cost provider that can appropriately meet the learner's needs

- Clear stipulations in the framework agreement around inflationary price increases
- Supporting and developing the emergent local market of newly registered community-based independent schools, offering better value placements. This will include a simple mechanism for providers of alternative education to move across the framework to also deliver specialist education.
- Robust and proactive contract management

3. Environmental Implications

- 3.1 The development of the local market of community-based education providers is helping to reduce the number of learners who travel long distances to school.

4. Supporting Information

- 4.1 The proposal to procure a new framework for Specialist and Alternative Education supports the Council's duty to ensure that children and young people (up to age 25) achieve the best possible educational and other outcomes.

5. Timescales associated with the decision and next steps

Date	Action
3 rd May to 17 th June 2022	Tender period
20 th June – 8 th July 2022	Evaluation of bids
July 2022	Contract Awards
September 2022	New contracts start

Appendices

None

Background Papers

None

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	Children, Families and Education	
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The report was circulated to the following members prior to publication:

Local Member(s): Not applicable – county wide provision

Other members:

Councillor Dahmash
Councillor Roodhouse
Councillor Brown