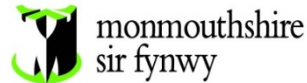


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Neuadd y Sir
Y Rhadyr
Brynbuga

Dydd Mawrth, 10 Medi 2019

Dear Cynghorwyr,

CABINET

Gofynnir i chi fynychu cyfarfod **Cabinet** a gynhelir yn **Conference Room - Usk, NP15 1AD** ar **Dydd Mercher, 18fed Medi, 2019**, am **2.00 pm**.

AGENDA

1. Ymddiheuriadau am absenoldeb
2. Datganiadau o Fuddiant
3. I ystyried yr adroddiadau canlynol (copdau ynghlwm):
 - i. **Adroddiad ar yr Ymgynghoriad yn ymwneud gyda chynnig i gau Ysgol Arbennig Mounton House** 1 - 98

Adrannau/Wardiau Sydd Wedi Eu Heffeithio: Pob un

Pwrpas: Dros y ddwy flynedd ddiwethaf, mae swyddogion yn y Gyfarwyddiaeth Plant a Phobl Ifanc wedi gweithio gyda chydweithwyr ar draws ysgolion Sir Fynwy ac o fewn yr awdurdod er mwyn trefnu darpariaeth i gefnogi ein dysgwyr bregus. Elfen benodol o'r gwaith hwn yw ffocysu ar anghenion y plant sydd yn cyflwyno ymddygiad heriol.

Yn dilyn yr ymgynghoriad ar gau Ysgol Arbennig Mounton House, pwrpas yr adroddiad hwn yw cyflwyno'r adroddiad ar yr ymgynghoriad i'r Cabinet a gofyn am eu cymeradwyaeth i symud ymlaen i'r cam nesaf i gau Ysgol Arbennig Mounton House a chyhoeddi hysbysiadau statudol.

Bydd y papur hwn yn darparu manylion i'r sawl sydd yn gwneud penderfyniadau ynglŷn â sut y mae'r awdurdod lleol yn cefnogi'r myfyrwyr hynny, sydd yn Mounton House ar hyn o bryd, ar ôl yr 31^{ain} o Awst 2020.

Awdur: Will McLean, Prif Swyddog, Plant a Phobl Ifanc

Manylion Cyswllt: willmclean@monmouthshire.gov.uk

- i. **CYNLLUN CYLLIDOL TERM CANOLIG REFENIW A'R BROSES GYLLIDEB 2020/21 - 2023/24** 99 - 108

Adrannau/Wardiau Sydd Wedi Eu Heffeithio: Pob un

Pwrpas: Amlygu'r cyd-destun ar gyfer datblygu'r Cynllun Cyllidol Term Canolig (MTFP) ar gyfer 2020/21 - 2023/24

Cytuno ar y rhagdybiaethau sydd i'w defnyddio er mwyn diweddarau'r MTFP, a darparu syniad cychwynnol o'r arbedion sydd i'w canfod yn y gyllideb.

Cytuno ar y prosesau a'r amserlen ar gyfer datblygu'r MTFP a'r gyllideb benodol ar gyfer 2020/21.

Awdur: Mark Howcroft – Pennaeth Cyllid Cynorthwyol

Manylion Cyswllt: markhowcroft@monmouthshire.gov.uk

i. **TREFNIADAU RHEOLI TRETH AR WERTH**

109 -

Adrannau/Wardiau Sydd Wedi Eu Heffeithio: Pob un

126

Pwrpas: Cadarnhau'r effaith y bydd unrhyw fuddsoddiad arfaethedig yng nghyfleusterau hamdden yr awdurdod yn ei gael pan yn cyfuno hyn gyda phenderfyniad y Cyngor i fabwysiadu dyfarniad TAW Ealing ar yr hawl gyffredinol i adennill TAW ar holl gostau'r Cyngor.

Mae'r adolygiad yn modelu'r lefel gyfredol sydd yn cael ai hamcangyfrif ac yn cynghori y bydd angen talu TAW ar y cynigion i ail-ddatblygu'r cyfleusterau hamdden o ran unrhyw wariant TAW sydd wedi ei gynllunio neu'n rhan o'r gyllideb er mwyn cefnogi'r broses o ddarparu'r cynlluniau gwasanaeth cyfredol ar draws y Cyngor.

Awdur: Peter Davies, Prif Swyddog Adnoddau

Manylion Cyswllt: peterdavies@monmouthshire.gov.uk

Yours sincerely,

Paul Matthews
Chief Executive

PORTFFOLIOS CABINET

Cynghorydd Sir	Maes Cyfrifoldeb	Gwaith Partneriaeth ac Allanol	Ward
P.A. Fox (Arweinydd)	Strategaeth a Chyfeiriad Awdurdod Cyfan CCR Cyd Gabinet a Datblygu Rhanbarthol; Trosolwg Sefydliad; Gweithio Rhanbarthol; Cysylltiadau Llywodraeth; Bwrdd Gwasanaethau Cyhoeddus; WLGA	Cyngor WLGA WLGA Bwrdd Cydlynu Gwasanaethau Cyhoeddus	Porthysgewin
R.J.W. Greenland (Dirprwy Arweinydd)	Menter Cynllunio Defnydd Tir; Datblygu Economaidd; Twristiaeth; Rheoli Datblygu; Rheoli Adeiladu; Tai a Digartrefedd; Hamdden; Ieuenctid; Addysg Oedolion; Addysg Awyr Agored; Hybiau Cymunedol; Gwasanaethau Diwylliannol	Cyngor WLGA Twristiaeth Rhanbarth y Brifddinas	Devauden
P. Jordan	Llywodraethiant Cefnogaeth y Cyngor a Phenderfyniadau Gweithrediaeth; Craffu; Safonau Pwyllgor Rheoleiddiol; Llywodraethiant Cymunedol; Cefnogaeth Aelodaeth; Etholiadau; Hyrwyddo Democratiaeth ac Ymgysylltu: Y Gyfraith; Moeseg a Safonau; Perfformiad Awdurdod Cyfan; Cynllunio a Gwerthuso Gwasanaeth Awdurdod Cyfan; Cydlynu Corff Rheoleiddiol		Cantref
R. John	Plant a Phobl Ifanc Safonau Ysgolion; Gwella Ysgolion; Llywodraethiant Ysgolion; Trosolwg EAS; Blynyddoedd Cynnar; Anghenion Dysgu Ychwanegol; Cynhwysiant; Cwricwlwm Estynedig; Derbyniadau; Dalgylchoedd; Cynnig Ôl-16; Cydlynu gyda Choleg Gwent.	Cyd Grŵp Addysg (EAS) CBAC	Llanfihangel Troddi
P. Jones	Gofal Cymdeithasol, Diogelu ac Iechyd Plant; Oedolion; Maethu a Mabwysiadu; Gwasanaeth Troseddau Ieuenctid; Cefnogi Pobl; Diogelu Awdurdod Cyfan (Plant ac Oedolion); Anableddau; Iechyd Meddwl; Iechyd Cyhoeddus; Cydlynu Iechyd.		Rhaglan
P. Murphy	Adnoddau Cyllid; Technoleg Gwybodaeth (SRS); Adnoddau Dynol; Hyfforddiant; Iechyd a Diogelwch; Cynllunio Argyfwng; Caffaeliad; Archwilio; Tir ac Adeiladau (yn cynnwys Stadau, Mynwentydd, Rhandiroedd, Ffermydd); Cynnal a Chadw Eiddo; Swyddfa Ddigidol; Swyddfa Fasnachol	Consortium Prynu Prosiect Gwyrdd Cymru	Caerwent

S.B. Jones	Gweithrediadau Sir Cynnal a Chadw Priffyrdd, Rheoli Trafnidiaeth, Traffig a Rhwydwaith, Rheolaeth Stad; Gwastraff yn cynnwys Ailgylchu; Cyfleusterau Cyhoeddus; Meysydd Parcio; Parciau a Gofodau Agored; Glanhau; Cefn Gwlad; Tirluniau a Bioamrywiaeth; Risg Llifogydd.	SEWTA Prosiect Gwyrdd	Goetre Fawr
S. Jones	Cyfiawnder Cymdeithasol a Datblygu Cymunedol Ymgysylltu â'r Gymuned; Amddifadedd ar Arwahanrwydd; Diogelwch y Gymuned; Cydlyniaeth Gymdeithasol; Tlodi; Cydraddoldeb; Amrywiaeth; Y Gymraeg; Cysylltiadau Cyhoeddus; Safonau Masnach; Iechyd yr Amgylchedd; Trwyddedu; Cyfathrebu		Llanofar

Nodau a Gwerthoedd Cyngor Sir Fynwy

Ein diben

Adeiladu Cymunedau Cynaliadwy a Chydnerth

Amcanion y gweithiwn tuag atynt

- Rhoi'r dechrau gorau posibl mewn bywyd i bobl
- Sir lewyrchus a chysylltiedig
- Cynyddu i'r eithaf botensial yr amgylchedd naturiol ac adeiledig
- Llesiant gydol oes
- Cyngor gyda ffocws ar y dyfodol

Ein Gwerthoedd

Bod yn agored. Rydym yn agored ac yn onest. Mae pobl yn cael cyfle i gymryd rhan mewn penderfyniadau sy'n effeithio arnynt, dweud beth sy'n bwysig iddynt a gwneud pethau drostynt eu hunain/eu cymunedau. Os na allwn wneud rhywbeth i helpu, byddwn yn dweud hynny; os bydd yn cymryd peth amser i gael yr ateb, byddwn yn esbonio pam; os na allwn ateb yn syth, byddwn yn ceisio eich cysylltu gyda'r bobl a all helpu - mae adeiladu ymddiriedaeth ac ymgysylltu yn sylfaen allweddol.

Tegwch. Darparwn gyfleoedd teg, i helpu pobl a chymunedau i ffynnu. Os nad yw rhywbeth yn ymddangos yn deg, byddwn yn gwranddo ac yn esbonio pam. Byddwn bob amser yn ceisio trin pawb yn deg ac yn gyson. Ni allwn wneud pawb yn hapus bob amser, ond byddwn yn ymrwmo i wrando ac esbonio pam y gwnaethom weithredu fel y gwnaethom.

Hyblygrwydd. Byddwn yn parhau i newid a bod yn hyblyg i alluogi cyflwyno'r gwasanaethau mwyaf effeithlon ac effeithiol. Mae hyn yn golygu ymrwymiad gwirioneddol i weithio gyda phawb i groesawu ffyrdd newydd o weithio.

Gwaith Tîm. Byddwn yn gweithio gyda chi a'n partneriaid i gefnogi ac ysbrydoli pawb i gymryd rhan fel y gallwn gyflawni pethau gwych gyda'n gilydd. Nid ydym yn gweld ein hunain fel 'trefnwyr' neu ddatrysyr problemau, ond gwnawn y gorau o syniadau, asedau ac adnoddau sydd ar gael i wneud yn siŵr ein bod yn gwneud y pethau sy'n cael yr effaith mwyaf cadarnhaol ar ein pobl a lleoedd.

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SUBJECT:	Consultation Report concerning the proposal to close Mounton House Special School
MEETING:	CABINET
DATE:	18th September 2019
DIVISION/WARDS AFFECTED:	All

1. PURPOSE:

- 1.1 Over the last two years, officers in the Children and Young People's Directorate have worked with colleagues across Monmouthshire schools and within the authority to put in place effective provision to support our vulnerable learners. A particular facet of that work has been to focus on needs of children who present with challenging behaviour.
- 1.2 Following the consultation on the closure of Mounton House Special School the purpose of this report is to present the consultation report to Cabinet and to seek their approval to proceed to the next stage in the closure of Mounton House Special School and publish statutory notices.
- 1.3 This paper will provide detail for decision makers about how the local authority plans to support students currently at Mounton House following the 31st August 2020.

2. RECOMMENDATIONS:

- 2.1 To agree to publish notices for the closure of Mounton House Special School.
- 2.2 Cabinet agrees the use of invest to save reserve funding to support the extended Pupil Referral Service (PRS) for the remainder of this financial year. This will be repaid in the next two financial year.

3. KEY ISSUES:

Context

- 3.1 Mounton House Special School is a boys' school (with a residential capacity) with a designation of pupils with Social Emotional Behavioural Difficulties (SEBD) aged 11 – 16 established in the 1970s under Gwent County Council. The school has a capacity of fifty-eight places of which forty-two could be residential. There are currently sixteen boys in the school with no residential students. Of those sixteen pupils, eight either reside in Monmouthshire or are Monmouthshire's responsibility as the Corporate Parent. As of August 2020, the number of pupils that reside in Monmouthshire or are Monmouthshire's responsibility to secure educational provision is expected to reduce to five. Two of the children resident are Monmouthshire are placed here by neighbouring authorities.
- 3.2 The designation of Mounton House is to provide an education to those children with social, emotional and behavioural difficulties. This diagnosis currently accounts for only 13% of the total statemented population in Monmouthshire.

- 3.3 The consultation exercise was conducted in an open and transparent manner and garnered a significant amount of interest. There were 123 written responses to the consultation process with 109 against the proposed closure of Mounton House (88%). Throughout the consultation report officers of the authority have responded to the concerns of those objecting to the closure. This report will set out those responses alongside the original rationale for proceeding with the consultation exercise.

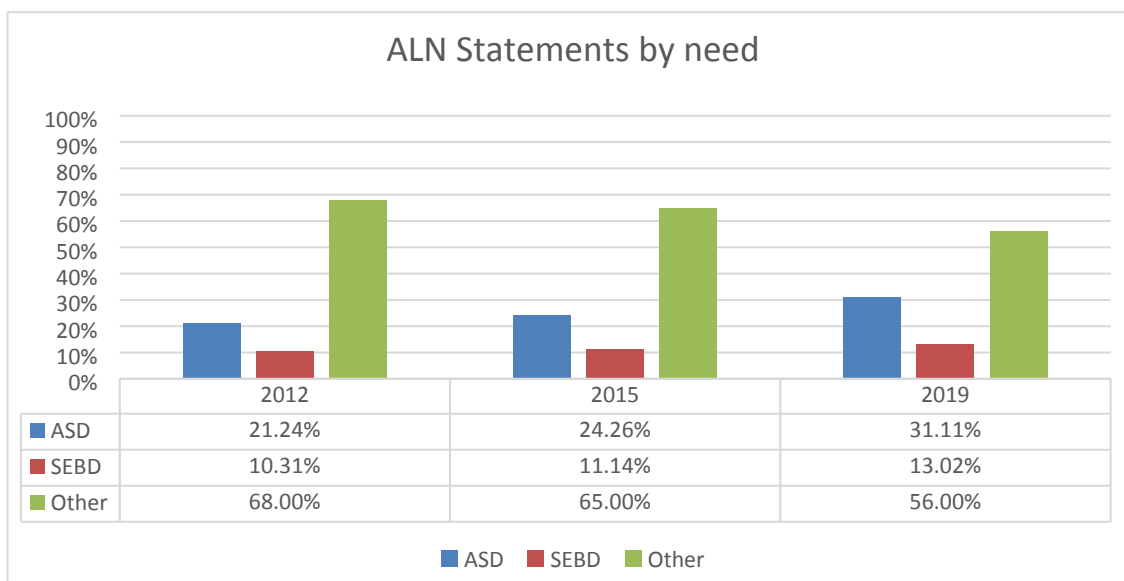
Background

- 3.4 In recent times, Mounton House has been on an important recovery journey. Estyn placed it in Significant Improvement in 2015. As a result, the school was categorised as a red school i.e. a school requiring the highest levels of support. The school, its staff and partners have worked hard to address areas in need of improvement and as a result, the school was removed from the list of schools requiring significant improvement in November 2017. Since that time, the school continued its journey of improvement and has moved to the yellow category, in the last two years as it now needs significantly lower levels of support.
- 3.5 Last year Cabinet agreed to consult on a series of reforms to Monmouthshire's Additional Learning Needs (ALN) provision. At the heart of these was the ambition to recreate Mounton House Special School as a broad range Special School and utilise the Mounton House site as a hub for pupils with SEBD and Autistic Spectrum Disorder (ASD) across the county serving both boys and girls of all ages from seven to 16 (or potentially 19).
- 3.6 Cabinet did not progress the development of an overarching special school following the previous consultation exercise. There were two reasons for this: the management structure of the proposed new special school was the first of these reasons. The consultation exercise *'highlighted a significant level of concern from some consultees towards the proposals to place the management of the SNRB centres with the new special school. The concerns focussed around governance arrangements, responsibilities and a risk of causing segregation of our children and young people on these sites.'*
- 3.7 Furthermore, the capital costs associated with that transformation were far in excess of the cost envelope that had been identified in the business planning process. The final design costs were circa £6.4m compared to a prudential borrowing planning expectation of approximately £2m. The costs were calculated by Monmouthshire County Council's property services team using the existing floor area of the school and a median cost as provided by the Building Costs Information Service (BCIS) (Royal Chartered Institute Surveyors' (RCIS)) for the renewal or conversion of special schools. The current quality of the fixed asset is not at an acceptable level in mainstream education.

Strategic

- 3.8 The needs of students are becoming increasingly complex; the broad heading of SEBD covers a multitude of contributing conditions. We now better understand attachment disorder, the impact and consequences of Adverse Childhood Experiences (ACEs) and the consequences of childhood traumas and their impact on children and young people.
- 3.9 At the same time, developments in neuroscience are helping us to understand why children present and behave in certain ways. Within this group of pupils with neurodevelopmental conditions, there are a growing number with a diagnosis of ASD within Monmouthshire, for whom suitable provision needs to be found.

3.10 The chart below shows the increasing prevalence of ASD as the predominant need for children with a statement of Special Educational Needs:



3.11 The provision in MHSS is, due to its current designation, too narrowly focused on boys alone and those children of a secondary age. This means we are unable to meet the needs of many of our children with additional needs and vulnerabilities. We currently place the majority of girls and younger pupils who present with challenging behaviour because of their identified need in out of county placements; these can be costly (both in terms of the placement and additional transportation costs). Furthermore, 'out of county' placements mean that children are educated away from their own community and friendship groups.

3.12 The challenge has been and continues to be the low levels of referrals from Monmouthshire itself.

Year	2014	2015	2016	2017	2018
Total Referrals	38	24	29	37	19
Monmouthshire Referrals	2	2	2	5	3

3.13 The number of girls with the diagnosis of SEBD is markedly lower than the number of boys. As at July 2019, within the total population there were only six girls with an SEBD diagnosis compared to 35 boys. Even assuming that all future needs of all children with a diagnosis of SEBD could be met in Mouton House could be met (as a provision it may not be suitable for all children and it may not be the parental preference) there would be a need for an additional twenty places in the coming seven years compared to a need for forty-one places for children with an ASD diagnosis.

Financial:

3.14 Pupils attending Mouton House from other authorities pay a placement cost of £45,265 for a day placement and £77,938 for a residential placement, however, this does not recover the whole cost of running the school which has resulted in Monmouthshire County Council having to heavily subsidise these places over time.

- 3.15 The financial cost of running Mounton House in the financial year was 2019/20 is £1,260,020, the forecast level of recoupment is £471,638 (against a budget of £518,786) resulting in a net cost to Monmouthshire County Council in year of £788,382. The low numbers of Monmouthshire pupils in the school means that the residual cost to the Authority for our own pupils for the current academic year is currently £131,397 per head. If the school were to remain open for the next academic year, this unit cost will rise to £262,794 in September 2020.
- 3.16 In comparison, the unit costs for Monmouthshire pupils are higher in Mounton House Special School than in other providers in the market place where an annual placement in Headlands Special School is £45,000 and Tallocher, an independent school in Monmouthshire is circa £65,000.

Economic:

- 3.17 Over the last seven years, the number of pupils on roll in Mounton House has reduced significantly; in January 2015, there were 42 pupils on roll and today the current number on roll is 16. Currently, there are no pupils accessing the residential provision. Of these 16 pupils, eight either reside in Monmouthshire or are Monmouthshire's responsibility, six of whom are Monmouthshire pupils.
- 3.18 The economic case asks us to consider whether this provides the authority with value for money. The numbers cited above lead to the conclusion that currently the school does not offer Monmouthshire County Council value for money. A number of factors have contributed to this; the decline in other authorities placing to the school, the decline in the use of the large scale residential provision for vulnerable children with complex needs in light of the emergence of new models of intervention and the relative reduction in the number of children with SEBD in Monmouthshire as a percentage. These factors have curtailed the number of children on roll whilst the running costs for the school have remained relatively high.
- 3.19 The population of children with special educational needs in Monmouthshire is growing and bears a considerable pressure in both teaching and financial resource. The costs associated with Mounton House Special School are disproportionately focused towards a very small group of pupils. Monmouthshire has a clear commitment to support all our pupils in order that the 'have the best possible start in life'. This concentration of resources simply does not allow that.

The Consultation Exercise

- 3.20 The Consultation exercise was well responded to by a range of stakeholders. The most significant view was that Mounton House should be retained with 88% of respondents expressing this view. The full response to the issues raised in the consultation can be found in the accompanying report and all responses can be found in the Members' library.
- 3.21 The table below sets out the four key themes that emerged in the consultation process.

Theme 1	Local Authority mitigating response
A concern that the children and young people will not cope in mainstream education, and that the education of those already in mainstream will be disrupted.	The Council has confirmed through this report that the children on roll at Mounton House Special school will not be returned to mainstream education should the proposals to close the school proceed.

	<p>The children and young people concerned are in receipt of a statement of special educational needs which determines the specialist provision required to meet individual needs. This may, or may not, be delivered in a special school. The annual review of a statement will continue to determine the type of provision required, including the support needed to ensure that the child or young person can participate in education successfully.</p>
Theme 2	Local Authority Response
<p>A concern that there is no other alternative provision that is suitable for the children and young people at the school</p>	<p>Should proposals to close Mounton House Special School proceed, Monmouthshire will work with the relevant Local Authorities, parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.</p> <p>Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.</p> <p>For those attending KS4 provision (year 10 and 11 from September 2020), the Council proposes to maintain local provision supported by the Pupil Referral Service to ensure any disruption to children and young people is minimised at this critical time. However, this is not a mandatory provision and parents / children concerned will be consulted on options for future provision should proposals proceed.</p>
Theme 3	Local Authority Response
<p>A view that the council needs to maintain special provision due to a growing demand for appropriate support for children with additional needs</p>	<p>The consultation on the closure of Mounton House Special School has been brought forward through an ongoing review of provision for ALN and Inclusion services across the County. This review has identified that the provision currently offered at Mounton House Special School is meeting the needs of only a very small number of Monmouthshire learners. At the same time, we are using a greater number of placements in out of County settings due to the lack of local provision. In a period of challenging resources the Local Authority needs to be able to draw upon its full resource to support its full range of children with ALN.</p> <p>The proposals to close Mounton House would not be implemented to bring forward financial savings, but to reinvest in provision that meets a wider range of needs; this would</p>

	include those with SEBD as well as the full range of other needs such as ASD.
Theme 4	Local Authority Response
A view that the Council should invest in Mounton House Special school to develop a provision that meets the future needs of our community	<p>In 2018, the Council consulted on extending the provision at Mounton House Special School to meet a wider range of additional needs. The proposal included providing provision for both boys and girls and the full age range.</p> <p>Cabinet did not progress the development of an overarching special school following the previous consultation exercise. There were two reasons for this: the management structure of the proposed new special school. The consultation <i>'highlighted a significant level of concern from some consultees towards the proposals to place the management of the SNRB centres with the new special school. The concerns focussed around governance arrangements, responsibilities and a risk of causing segregation of our children and young people on these sites.'</i></p> <p>Secondly, the feasibility works undertaken identified that the site / building would require significant investment (circa £6.4 million) to enable the implementation of this proposal. Therefore, this option was not taken forward through the political process. It was agreed that this would be recast and this is the subsequent consultation.</p>

3.22 If Cabinet agree to the publication of statutory notices for the closure of Mounton House there would be a very small cohort of young people who will continue to require appropriate educational provision to meet their identified needs.

3.23 The current distribution of pupil numbers as of September 1st 2019 is as follows:-

Year	7	8	9	10	11
Number of Pupils	1	5	1	3	6

3.24 From 1 September 2019, there are six year 11 pupils returning to the school to complete their education by the end of the academic year 2019 - 2020.

3.25 Should the proposal proceed on 31 August 2020 there would be a total number of 10 pupils affected by the closure distributed across years 8, 9, 10 and 11 as in the table below:

	Key Stage 3	Key Stage 4
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Year	7	8	9	10	11
Number of Pupils	0	1	5	1	3

- 3.26 Based on these numbers, we do not expect there to be any year 7 pupils attending the school from 1 September 2020.
- 3.27 Of the six Key Stage 3 pupils remaining, only a very small minority will be Monmouthshire pupils (two), with a further two place in Monmouth by other Local Authorities. In order to secure appropriate provision for these pupils the Local Authority will work closely with other partners to place the pupils in appropriate specialist provision. This provision will be determined through the review of statement of Special Educational Needs process and will involve children, parents, placing authorities, if relevant, and wider agencies where appropriate.
- 3.28 The Local Authority will utilise the PRU / PRS to meet the needs of the five pupils in Key Stage 4 until they complete their courses (two of whom are Monmouthshire pupils). Staff in the PRU are experienced and skilled in effectively supporting pupils presenting with challenging behaviour and have established strong strategic partnerships between the PRS, local schools and colleges that enable pupils to access courses and specialist teaching facilities elsewhere in the community. This will allow for the provision of bespoke packages to deliver a broad and appropriate curriculum to meet the needs of these pupils and would be delivered using the model outlined below:

Key Stage 4 Model of Delivery

- 3.29 The Pupil Referral Service Coordinator would oversee the development of bespoke and flexible learning plans to meet the identified needs of each pupil. The plans would be used to identify the most appropriate provision, which may be delivered or commissioned by the PRS on a number of sites including the PRU, part of the Mounton House site and colleges, work experiences and other suitable sites.

What would the delivery look like?

- 3.30 These bespoke, flexible packages of education would take place using existing Local Authority provision wherever possible and appropriate. Staff experienced in working with disaffected pupils would deliver these individual learning programmes. These staff would have experience of delivering bespoke learning programmes to pupils displaying similar behaviours to those children in Mounton House Special School. All bespoke learning programmes would be reviewed regularly and in line with current ALN Code of Practice and Inclusion Guidance. (203/216) and the draft ALN Code of Practice (2019).

Management of delivery of these programmes

- 3.31 The Pupil Referral Service Coordinator would oversee the delivery of these bespoke programmes for pupils in Key Stage 4. The Pupil Referral Service Coordinator would ensure that individual pupil's identified needs are met and that pupils are safeguarded in line with Monmouthshire policy.

Actions required to facilitate the delivery of individual programmes

- 3.32 Reviews of formal paperwork would need to take place for each of the affected pupils. Colleagues in Monmouthshire's Additional Learning Needs team would liaise with placing local authorities and arrange annual review meetings in line with the SEN Code of Practice

to discuss the proposed provision and enable the statutory paperwork to be amended by Monmouthshire.

- 3.33 Parents and pupils would need to be consulted on any proposed changes to the delivery of the provision and they would be provided with support, guidance and advocacy through SNAP, the regional parent partnership service.
- 3.34 For Monmouthshire pupils, colleagues in Monmouthshire's Additional Learning Needs team would undertake a similar approach and liaise with Monmouthshire parents and pupils and arrange meetings in line with the Code of Practice to enable the statutory paperwork to be amended to reflect the proposed provision. The Pupil Referral Service Coordinator would then meet with parents and colleagues in Monmouthshire's Additional Learning Needs team to formally agree programmes and develop appropriate documentation.

Resources allocated to this proposal

- 3.35 To deliver these proposals, the following staffing/commissioned provision would be required and this is broken down as follows:-
- 0.4 teacher to enhance capacity of the Pupil Referral Service to allow for Coordination of the delivery
 - 1 teacher to work with the cohort of 5 pupils
 - 1 Teaching assistant to provide support to class teacher
 - 2 Pupil Engagement Officers to provide vocational learning opportunities
 - College provision as required
 - 0.1 Educational Psychologist to provide professional advice to staff and pupils

These are costed below:-

Staffing/commissioned provision	Cost
0.4 teacher with Teaching Learning Responsibility allowance	£ 21,870
1.0 teacher	£ 55,596
1.0 teaching assistant	£ 21,974
2.0 Pupil Engagement Officers	£ 55,896
College courses as required	£ 15,000
0.1 Educational Psychologist	£ 7,285
	£177,621

- 3.36 The unit cost of a placement would therefore be £35,524.20. The cost to Monmouthshire would therefore be £71,048.40 for the two Monmouthshire pupils in Key Stage 4. Monmouthshire would be able to reclaim remaining costs from other placing Local Authorities.
- 3.37 The PRU currently works from two satellite bases, one in Abergavenny and one in Chepstow. It is our proposal that the PRU would use a part of the Mouton House site from September 2020.

Key Stage 3 curriculum options

- 3.38 In September 2020, the minority of Key Stage 3 students in September 2020 would be from Monmouthshire.
- 3.39 Pupils in Key Stage 3 (Years 7, 8 and 9) would still require access to specialist SEBD provision. There would therefore be a requirement for the commissioning of 6 Key Stage places from an independent provider. The only costs attributable to Monmouthshire would

be the costs associated with the two pupils. The rest would be recouped from placing authorities.

What would the delivery look like?

- 3.40 These pupils would have access to specialist SEBD provision, which would be delivered by a teacher and support staff within a special school.

Longer-term provision

- 3.41 We will develop provision in Monmouthshire to offer education to children and young people aged 7-19, who have difficulty in learning because of a range of significant and complex additional needs. These would include children and young people with neurodevelopmental conditions e.g. Autistic Spectrum Disorder (ASD), Attention Deficit Hyperactivity Disorder (ADHD) and social, emotional and mental health difficulties, which would include issues relating to attachment and adverse childhood experiences (ACES). Children and young people accessing this provision would be highly likely to have co-occurring conditions and to have presented with significant difficulties in mainstream school settings.
- 3.42 The school would provide a specialist environment and structured personalised learning, care and therapy programmes, delivered by expert staff rigorously trained in specific approaches relevant to neurodevelopmental and associated conditions. Staff would have an in-depth understanding of these conditions and the ways in which they can affect a child /young person, both academically and socially. There would be a strong focus on providing quality education with opportunities to achieve nationally recognised qualifications and accreditations alongside developing social and independence skills.

4. OPTIONS APPRAISAL

- 4.1 Cabinet has two options available to it:
- (a) To proceed and publish notices of closure for Mounton House Special School whilst ensuring appropriate provision for displaced pupils
 - (b) To reject the recommendations contained within this report and maintain the status quo in Mounton House Special School
- 4.2 The preferred option is option (a). The reasons set out below conclude that the status quo is not a reasonable option given the very low number of Monmouthshire children accessing the school and that the predominant need in Monmouthshire is now to support children with complex, neurodevelopmental challenges.
- 4.3 The future of Mounton House Special School has been unresolved for too long (as pointed out by the Governing Body in their consultation response) a further deferment will only prolong uncertainty and not provide clarity to the children, parents & families and placing authorities that is required at this juncture.

5. REASONS:

- 5.1 Any decision to close a school is a difficult decision. In this instance and despite the response to the consultation exercise it is the right option to take at this time. Mounton House Special School has been in existence since 1970, its history has been as a Gwent resource and asset, created for an authority with a population of circa 600,000. Today it serves a Monmouthshire population of circa 100,000. Its scale and remit are no longer

compatible with the needs of Monmouthshire. The four remaining Gwent authorities have all established and / or expanded their own provision in the recent past.

- 5.2 As set out above the needs of children in Monmouthshire are becoming increasingly complex. The provision that is required in Monmouthshire needs to offer greater flexibility and offer the capacity to provide bespoke service design. This complexity moves beyond the designations of ASD and SEBD and presents a challenge to all working with children and young people with additional learning needs. That said any presumption that Mounon House Special School could simply change its designation and accommodate pupils with a diagnosis of ASD simply because staff have experience of supporting children who present with challenging behaviour is not valid. The root causes of the behaviour manifest from different underlying conditions, one social and the other neurodevelopmental. These different origins of a presenting need require greater levels of training, experience and expertise.
- 5.3 The recent recovery of the school from being in need of *significant improvement* to being categorised as yellow is rightly recognised, as is the commitment that staff have shown to the pupils in the school. However, as a local authority we have a duty to provide support and an education to all of our pupils. The continued provision at Mounon House Special School is too limited to support the needs of the broad spectrum of Monmouthshire's vulnerable learners.
- 5.4 The costs associated with renewing Mounon House Special School are currently prohibitive.

At this stage, and following recent discussions with the Welsh Government, the Band B Programme is closed to extensions from local authorities. If Cabinet were minded to include the renewal of Mounon House in the current Band B proposals at this moment in time it would necessitate a re-prioritisation of the Strategic Outline Programme and the movement of resource away from the Abergavenny proposal. Similarly, in order to achieve affordability in Band C investment in Mounon House would be weighed alongside any required investment in Chepstow School.

6. RESOURCE IMPLICATIONS:

- 6.1 The potential closure of Mounon House Special School will have financial implications for Monmouthshire. There will be a benefit of the closure however; there are several ongoing costs that will offset that benefit.

	Financial Year 19-20	Financial Year 20-21	Financial Year 21-22
Annual Delegated Budget 2019/20 Mounon House	1,260,020	525,008	0
Budgeted Recoupment	(518,786)	(216,161)	0
Net cost of provision	741,234	308,847	0
Future Costs of provision for KS3 & KS4 pupils		150,279	222,727
Less: recoupment		(62,168)	(34,539)
Total cost KS3 & 4		88,111	188,188
Secondary School Behaviour Support	111,742	291,470	291,470
Draw on invest to save reserve	(111,742)		
Repayment of Reserve funding		52,806	58,936
Cost of proposal	£741,234	741,234	538,594
Current cost of Provision	£741,234	741,234	741,234
Net Financial Benefit	£0	£0	202,640

- 6.2 The benefit would also include the retention of any surplus budget held at the school. The projected year-end position for 2019/20 is £66,517.
- 6.3 The investment in the four secondary schools is to start in September 2019 as per the December 2018 Cabinet decision. In the current financial year, there will be a cost of £111,742. This paper requests that this is reserve funded from the 'invest to save reserve'. The funds will be replenished following the potential closure of Mounton House Special School or if necessary from a re-alignment of other CYP budgets.
- 6.4 There is the potential requirement for redundancies if the school closes. The Directorate will follow the Authority's protection of employment policy to ensure that all staff are afforded the maximum protection. The Directorate holds a central redundancy reserve of £300,000 and this will be used in the first instance to meet any costs associated with the closure of the school.

7. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):

- 7.1 This is included in appendix 3 of the consultation document.

8. CONSULTEES:

Senior Leadership Team
Departmental Management Team
Employee services
Cabinet

9. BACKGROUND PAPERS:

Pupil Data
School and corporate budgets
School Organisation Code

10. AUTHOR:

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CONSULTATION REPORT

Proposals to close Mounton House Special School

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1. Introduction

Monmouthshire County Council has a statutory duty to secure sufficient and suitable school places for children within its County, and in doing so ensure that resources and facilities are efficiently utilised to deliver the education opportunities that our children deserve.

The Council has a responsibility under the School Standards and Organisation (Wales) Act 2013 to consult with appropriate stakeholders when considering any significant school reorganisation proposals.

The Council recently engaged in a statutory consultation process relating to the provision of services for children with Social and Emotional Behavioural Difficulties (SEBD) and in particular, the current provision offered at Mounton House Special School.

The purpose of undertaking the statutory consultation was to seek the views of our community, key stakeholders and partners on the proposal to close Mounton House Special School.

This consultation report now represents the council's responsibilities in line with the School Standards and Organisation (Wales) Act 2013 to produce a report seeking to inform interested parties of the outcome to the consultation by means of:

- Summarising each of the issues raised by consultees
- Responding to these by means of clarification, amendment to the proposal, or rejection to the concerns with supporting reasons
- Setting out Estyn's view (as provided in its consultation response) of the overall merits of the proposal.

2. Distribution of the Consultation Report

This consultation report is published on the Monmouthshire County Council Website www.monmouthshire.gov.uk/schoolreorganisation. We will contact the following consultees and interested parties directly to inform them of the publication of this document.

- Parents, Guardians and carers of all pupils at schools directly affected by the proposal
- Headteacher, staff and governors of schools directly affected by the proposal.
- Out of county Schools affected by the proposal.
- Pupils and Pupils' Councils of schools directly affected by the proposal
- Headteachers of all schools in MCC area
- All MCC Members
- Welsh Ministers
- All MCC Town and Community Councils
- All MCC Assembly Members representing the area served by the school
- All Members of Parliament representing MCC area
- Directors of Education of all bordering LAs – Blaenau Gwent, Newport, Powys, Torfaen, Herefordshire, Gloucestershire
- Directors of Education of affected LA's – Caerphilly, South Gloucestershire, Merthyr, Bristol, Rhondda Cynon Taff, North Somerset, Somerset, Swindon, Vale of Glamorgan, Cardiff
- Principals of Coleg Gwent
- MCC Youth Service
- GAVO
- Monmouthshire Governors Association
- Teaching Associations
- Support Staff Associations
- Policy Officer (Equalities & Welsh Language)
- Welsh Government
- ESTYN
- Church in Wales Diocesan Trust, Director of Education
- Roman Catholic Diocesan Trust, Director of Education
- South East Wales Education Achievement Service
- Gwent Police and Crime Commissioner
- SNAP Cymru Parent Partnership Service
- Local Health Board
- All interested parties responding to this consultation leaving relevant electronic contact details

3. Background to the review of ALN and Inclusion Services

Monmouthshire is committed to improving the educational achievement and attainment for all children and young people in in the county through the provision of an inclusive education system that places the child or young person at the centre.

Through our work with schools, parents and key partners, we seek to:

- Secure equality of access to education for all children and young people
- Deliver a high quality and inclusive curriculum for all learners
- Educate our children and young people in their local communities whenever possible
- Support children and young people and their families to enable them to live a happy and fulfilling life
- Provide meaningful opportunities for learners to access support when they need it and return to their community school as soon as they are able
- Meet the needs of children and young people now and be suitably adaptable to meet changing needs in the future

The aims above link directly to our Directorate core values, which aspire to ensure that all of our children and young people will:

- **Be ready for school** - through engagement with our Early Years and Flying Start programmes.
- **Be in school** - supported by our Access and Education Welfare teams.
- **Be well behaved** - through support from our Behaviour and Inclusion teams.
- **Be well taught** - by the teachers and teaching assistants in our schools.

Over the last five years, we have made progress towards fulfilling this commitment for the majority of our children and young people.

Most recently, the Local Authority consulted on changes to our provision for pupils with Additional Learning Needs (ALN). The Local Authority has commenced work on developing the final agreed model to meet the needs of these pupils. However, feedback in response to our consultation and significant financial cost of implementing proposals for our learners with Social, Emotional and Behavioural Difficulties (SEBD) meant that we needed to reconsider and reframe elements of our proposals further.

In our initial review, we included an analysis of current and projected pupil needs for SEBD. This analysis indicated that:

- Our existing SEBD provision did not meet the needs this group of all SEBD learners because the current provision within Monmouthshire is for boys only and between the ages of 11 years and 16 years. As a result, primary aged pupils and girls with SEBD are accessing education in a range of out of county placements.
- The proportion of primary and secondary fixed term exclusions shows an increasing trend over the past 5 years. The number of permanent exclusions have increased over the same period and particularly in the last three years.

Analysis of our exclusion data indicates that more children are presenting with challenging behaviour. Many of these learners have a range of wider additional learning needs that require additional and targeted resourcing to enable them to access education successfully.

- There is a need to support practitioners to develop skills and capacity within the school system to ensure that more pupils with SEBD are well supported within their local area and wherever possible in mainstream schools.
- The increasing financial pressures associated with the significant numbers of children and young people being educated outside Monmouthshire were not only having a significant impact on the overall provision for children and young people in schools, but also on other service areas such as the Passenger Transport Unit.
- Our current model would not enable us to meet the requirements of the ALN Act Wales (2018) and the draft 'Additional Learning Needs Code for Wales' (2018) when it is implemented from September 2020.

The aim of this reform programme is to secure equality of access to education for children and young people, with SEBD, to enable them to participate in, benefit from and enjoy learning by:

- **Securing excellent teaching and learning** to deliver a high quality and inclusive curriculum for all learners and in doing so this will underpin all our systems and processes
- **Building the capacity of schools** to educate their children and young people in their local community and within the Council wherever possible
- **Implementing systems and processes to facilitate early assessment, intervention and support** using a range of multi-agency providers including third sector organisations
- **Securing effective School to School and Cluster partnership arrangements** to become the key driver for the implementation of our strategy
- **Maintaining a consistent approach to nurture and well-being** to support learners and their families across the county
- **Securing effective and transparent multi-agency working** to ensure the best possible outcomes for learner's well-being and achievement
- **Maintaining home / host school registration and establishing revolving door arrangements** to provide opportunities for children and young people to access the support they need and return to their community wherever appropriate.
- **Securing good access to local, high quality, flexible provision** that is appropriate and is able to meet current and changing needs
- **Adopting an "invest to save"** approach in order to achieve best practice and build sustainability

The Council's Strategy, Policy and Procedures (Review October 2015) for Additional Learning Needs the ALN Policy sets out the guiding principles applied to ensure our proposed model of delivery addresses the local needs of our children as follows:

- All of our children and young people are valued, whatever their needs, so that they can experience success in their learning, reach their potential, enjoy high levels of well-being and maximise their life chances
- Meeting the needs of children and young people with ALN is a priority and is everyone's responsibility
- The overwhelming majority of children and young people are educated with their peers and in their local community
- Appropriate, specialist provision to meet the needs of most of our children and young people with ALN is available within the local authority
- All parties, including schools, parents and wider agencies work together and in the best interests of the child

In considering our options and developing our proposals we have paid due regard to the requirements of the Future Generations Act (Wales) 2015, the United Nations Convention on the Rights of the Child (UNCRC), the Additional Learning Needs and Education Tribunal (Wales) Act 2018 and the recommendations from Professor Donaldson's 'Successful Futures' Report (2015).

4. A reminder of our proposal

The Local Authority consulted on proposals to close Mounton House Special School. The proposed closure date was initially 31st December 2019. However, this was later amended to 31st August 2020 to minimise the disruption to pupils of closing mid-year. Councillor Richard John, Executive Member for Children and Young People and MonLife announced this at the Council's Cabinet meeting in June 2019.

Should the outcome of statutory processes determine that statutory notices should be published that would give notice of the closure of Mounton House Special School the Council will consider the opportunities to invest in a new delivery model. Any future model will be designed to meet the full range of needs of children and young people residing within the county who have ALN including but not limited to those with SEBD.

5. Consultation Arrangements

Methodology

On 6th March 2019, the Council's Cabinet approved the proposals to commence statutory consultation thereby allowing the Council to engage with key stakeholders on a new model for the delivery of Additional Learning Needs and Inclusion services.

In line with the School Standards and Organisation (Wales) Act 2013, the Council produced a consultation document, published on 18th March 2019, which also represented the commencement of the statutory consultation period. The formal consultation period lasted for a period of 6 weeks (including 20 school days) and concluded on 29th April 2019.

The consultation document was distributed / links sent to all statutory consultees as listed under appendix 1 of this document. The consultation document also published on the Council's website at www.monmouthshire.gov.uk/schoolreorganisation.

The Council raised awareness of the consultation through a marketing campaign, which included publications via the Council's social media networks.

Consultees were advised of the following opportunities to respond to the consultation proposals:

- Writing to School and Student Access Unit, Monmouthshire County Council, PO Box 106, Caldicot, NP26 9AN.
- Emailing strategicreview@monmouthshire.gov.uk.
- Completing the response pro-forma (appendix 1) and returning it to School and Student Access Unit, Monmouthshire County Council, PO Box 106, Caldicot, NP26 9AN.

Consultation Meetings

As part of the consultation process, the Council held consultation sessions with staff, governors, parents and members of the community to ensure appropriate engagement with all interested parties who wished to learn about the proposal. These sessions were held on the following dates / times:

Consultee	Date	Venue
Staff	28 th March at 3.30pm	Mounton House Special School
Governors	28 th March at 4.30pm	Mounton House Special School
Parents / Interested parties	28 th March at 5.30pm	Mounton House Special School

Senior Officers of the council's directorate for children and young people attended all consultation sessions, providing interested parties with an opportunity to learn more about the proposals and ask any questions or raise any concerns.

Officers in attendance at the consultation meetings provided reassurance that any comments or concerns raised would be noted and fed into the consultation process. Consultees were also encouraged to submit their formal responses through any of the available methods.

Copies of the full consultation document and feedback proforma were available at each of the consultation sessions.

The key themes of concerns raised during the consultation meetings have been summarised and included as part of the overall responses received on page 10 of this document. In addition, full records of the engagement sessions held are available at appendix 3, 4 and 5 of this document.

Consultation with children and young people

The Council developed a “child friendly” version of the consultation document to ensure that children and young people on roll at Mounton House Special School could be fully engaged in the consultation process.

A consultation session took place on 10th April 2019 with the children and young people of roll at Mounton House special School. Two officers of the Council, as well as the assistant Headteacher and ALNCo at Mounton House Special School facilitated the session.

A representative group of pupils met to discuss the consultation document and to ask the Council’s representatives questions. Some pupils were confident to meet as a group other pupils preferred to meet on an individual basis or in pairs. Participating pupils were given a copy of an accessible version of the consultation document and a response sheet. Copies of these documents were left at the school so that all pupils could have a chance to respond to the consultation. These documents were also emailed to the Head Teacher.

There was no formal structure to the meeting and the boys were given opportunities to speak freely and ask questions.

A summary of the feedback received from children and young people can be found under appendix 2 of this document.

6. Results and Comments

6.1 Summary of consultation results

The Council has received a number of responses to the consultation exercise. A broad profile of the respondents can be found in the table below:

Respondent category	Number in Favour	Number not in Favour	Number inconclusive	Total
Parent / Carer	1	34	0	35
Governor	0	2	0	2
Pupil	0	2	0	2
Staff	0	14	0	14
Other schools / staff	3	11	0	14
Community	4	41	0	45
Union	0	2	0	2
County Councillors	0	2	0	2
Other Organisations	4	1	2	7
Total	12	109	2	123

N.B. The above table reflects the number of formal responses received to this consultation only. However, feedback received from consultation sessions is reflected within section 6 of this report.

In addition to the above, the Council is aware of the petition named “Stop Mounton House School Closure” which has received 2,333 signatures. We have not considered this as a formal response to this consultation; however, it is referenced in this document as recognition of the level of opposition to the proposed closure.

6.2 Summary of comments / concerns

The table below shows a summary of the comments and concerns raised during the consultation period together with the Council’s response. The comments and concerns have been drawn and summarised from the written responses received together with the feedback given during the consultation meetings.

Theme 1	Concern at the impact proposals will have on the Children and Young People	
The school provides a unique in county resource for children who can't cope in mainstream education. Without the school and professional support these boys will suffer.	Mounon House has a very small number of Monmouthshire secondary aged boys on roll (0.75% (seven pupils) of the SEN population in Monmouthshire in September 2019). There is no provision for primary aged pupils or girls within the Local Authority.	
Travelling Distances		
Summary comment / concern	LA response	
Closure will mean significant travelling distances to other resources outside of the county, which will be hugely disruptive and emotionally / psychologically damaging.	Monmouthshire is a rural Local Authority and many children travel some distance to their schools.	
Pupils with behavioural issues will not be able to cope with this long journey every day.	An analysis of travelling distances to proposed new provisions post 2020 indicates that only two pupils would be affected.	
Alternative offer to Children and young people		
Summary comment / concern	LA response	
There is no alternative provision for those currently educated there	Monmouthshire will work with the relevant Local Authorities, parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway. Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.	
The closure of Mounon House Special School is unnecessary and likely to be harmful to the wellbeing of pupils.		
If the School closes what will happen to its pupils who lack basic skills and have no inspirations. The proposal does not give details on this and is vague on what provisions will be made available. There are no indication that suitable placements have been identified that would provide the nurture and therapies the pupils need and which are currently provided at Mounon House School.		
Placing children and young people into Mainstream education		
Summary comment / concern	LA response	
The children at Mounon House are some of the most vulnerable we have in the County. With all the associated challenges that they have, placing them in mainstream settings will have a detrimental impact these group of learners, and have a detrimental effect on the confidence and progress achieved by the staff at Mounon House	Unless recommended by the Annual Review process, Monmouthshire is not proposing to move any pupils currently attending Mounon House School to a mainstream provision.	
	Monmouthshire will work with, parents and pupils affected by the proposed closure to ensure continuity of provision. This could include bespoke provision	

Many children benefit from the education they receive here. Mainstream school is not appropriate, as schools at present do not have the time or facilities in which these pupils need. The council's will continue to make future cutbacks in education as children on the spectrum are already suffering due to this.

Disruption to the boys' education. Putting them into mainstream schools won't help them as mainstream did not work the first time around. Specific environment to suit the boys' needs- sensory room provided to deal with their needs. Boys would struggle to build trust and new relationships with staff in their new schools. Staff at Mounon school have specific training to understand boys' needs that would not be available at the same level in mainstream schools. Class sizes would be much bigger and too much for the boys to cope with, resulting in disruption for whole classes.

Closure of Mounon House could involve the transfer of SEBD children to existing schools. While we accept that MCC would take measures to facilitate such moves, it is unlikely that facilities and care of an equal standard will be achievable. Mounon House has individual timetables, a range of vocational courses, a therapy area and other facilities that mainstream schools would not be able to match. Mounon House pupils are strongly of the opinion that they would not thrive in mainstream schools.

The staff are highly trained and well equipped to deal with emotional and behavioural disorders and the dispersal of this expertise will be disastrous for the pupils

Disruption to the boys' education. Staff at Mounon school have specific training to understand boys' needs that would

run by staff experienced in managing young people with challenging behaviour.

Monmouthshire would provide support to pupils and their families and work in partnership with any proposed new provision to ensure minimum disruption, secure continuity and ensure a successful transition.

not be available at the same level in mainstream schools.

Theme 2

Impact that the proposal will have on other Schools / Pupils

A concern that local schools will be negatively impacted by the proposed closure

Summary comment / concern

LA response

Whilst recognising the need to save money during this time of austerity, and supporting the decision to close Mounon House Special school to better deploy staff and financial resources, we need reassurance that the secondary mainstream schools will not be negatively impacted by these proposals and expected to meet the significant needs that these children have

Unless recommended by the Annual Review process, Monmouthshire is not proposing to move any pupils currently attending Mounon House School to a mainstream provision.

The decision will place unworkable pressures on local education providers

The local authority is investing in each of its secondary schools to provide additional resources so that interventions can be delivered earlier in schools to support pupils more effectively. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.

The proposal will have a detrimental impact on mainstream children who want to learn and should be given this opportunity without being disrupted by these children who would no longer have the provision they need.

The other schools in the area are over-populated and cannot provide the appropriate requirements to deal with special needs such as ensuring a restorative, holistic and dyslexia-friendly school environment for young persons with social, emotional and behavioural difficulties.

Impact on alternative Special Needs Resource Bases

Two new secondary schools have been built without any consideration that special accommodation for SEBD pupils (rather than units for ALN pupils already taught in mainstream schools) would need to be made available. The impact of this on SEBD and mainstream pupils has not been considered.

It is our long held belief that the vast majority of children and young people with ALN, which includes pupils with SEBD, should be educated in mainstream settings alongside their peers. Inclusion is a key aspiration for our education services.

Transferring the SEBD children to other schools would present significant maintenance issues. Immediate repairs are often required to avoid closure of sections of the school. While Mounon

Some children with more complex needs will require alternative, specialist provision.

House has staff to do this, other schools do not. Indeed, the maintenance budget of the two new schools has been cut on the assumption that they will need very little maintenance over the next five years.	Unless recommended by the Annual Review process, Monmouthshire is not proposing to move any pupils currently attending Mounton House School to a mainstream provision.
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Theme 3	A view that the Council should consider alternatives to closure
Summary comment / concern	LA response
The ALN review last year gave categorical assurances that provision would be expanded on the Mounton House site to meet a growing in county need. Investment should be made in county to meet this need rather than closing the school.	<p>In 2018, the Council consulted on extending the provision at Mounton House Special School to meet a wider range of additional needs. The proposal included providing provision for both boys and girls and the full age range.</p> <p>Cabinet did not progress the development of an overarching special school following the previous consultation exercise. There were two reasons for this: the management structure of the proposed new special school. The consultation <i>'highlighted a significant level of concern from some consultees towards the proposals to place the management of the SNRB centres with the new special school. The concerns focussed around governance arrangements, responsibilities and a risk of causing segregation of our children and young people on these sites.'</i></p> <p>Secondly, the feasibility works undertaken identified that the site / building would require significant investment (circa £6.4 million) to enable the implementation of this proposal. Therefore, this option was not taken forward through the political process. It was agreed that this would be recast and this is the subsequent consultation.</p>
We need provision in Monmouthshire for pupils with SEBD and Autistic Spectrum Disorder (ASD). These pupils are vulnerable and need specialist provision in a smaller school environment as they struggle to cope in larger settings even if they have support. The specialist provision should be changed to meet a wider range of	<p>The Local Authority agrees that specialist provision is required to cater for the following:-</p> <ul style="list-style-type: none"> • girls and boys, • a wider age range of pupils • to meet the identified ALN needs of Monmouthshire pupils, which includes ASD.

<p>needs utilising the expertise built up within Mounon House.</p>	<p>ASD is the largest single diagnosis of ALN in Monmouthshire and the fastest growing.</p> <p>The ability to 'change' a school is not simple endeavor.</p>
<p>The needs within our County are increasing so better management and investment is needed in these critical services not removing them.</p>	<p>The Local Authority agrees that specialist provision is required to cater for both genders, a wider age range of pupils and to meet the full range of identified ALN needs of Monmouthshire pupils, which includes ASD.</p>
<p>School and staff would be willing to make changes to accommodate other pupils with additional needs.</p>	<p>The Local Authority fully recognises the skills and experience of the current staff, however; these are predominately related to secondary boys with SEBD.</p> <p>The Local Authority requires staff with the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.</p>
<p>Removing the need for a statement and widening admission criteria would solve the issue of low numbers and MHS would return to being an investment for MHS whilst alleviating the pressure mounting on neighbouring provisions.</p>	<p>Monmouthshire Local Authority currently requires pupils who attend specialist provision to have a statement of SEN to ensure that the graduated response has been followed by schools and that pupils are appropriately placed. This will change with the introduction of Individual Development Plans (IDPs).</p> <p>Formal changes to the school designation requires statutory consultation.</p> <p>The Local Authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.</p>
<p>While we understand the financial issues behind closure, we believe they can be dealt with through an alternative strategy. The high unit costs given by MCC are predicated on low pupil numbers, but with a more flexible approach to admissions criteria (e.g. to</p>	<p>The very low Monmouthshire pupil numbers referred for a placement reflect the number of secondary aged boys with SEBD as their sole or primary identified area of need.</p>

<p>include girls, to widen the age range and to admit ASD pupils) numbers could be increased significantly. The changes could be carried out in stages in order to minimise the annual cost of building work. We believe that even with the existing admissions criteria there is also scope for increasing admissions from other authorities.</p>	<p>Formal changes to the school designation requires statutory consultation.</p> <p>The Local Authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.</p> <p>During the recent past, neighbouring authorities in the wider Gwent region have developed their own provision in meeting the needs of children with challenging behaviour and those with ASD.</p>
<p>We feel that a better alternative approach would be: *to guarantee the future of Mounton House for a number of years in order to give other authorities confidence that pupils sent to the school would, where appropriate, be able to complete their education there. *widen the admissions criteria (to include ASD , girls, wider age range) perhaps using a step by step approach in order to keep immediate costs to a reasonable level. *consider how Mounton House could be used for relatively short-term placements.</p>	<p>Formal changes to the school designation requires statutory consultation.</p> <p>The local authority would require staff who have the appropriate experience, specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.</p> <p>The retention of Mounton House Special School on this basis would not provide certainty for pupils or other authorities. The purpose of this consultation was to seek clarity for all stakeholders.</p> <p>Monmouthshire has a Pupil Referral Unit that has the expertise and capacity to provide short-term placements for both boys and girls of secondary age. Recent investment in 'in-reach' support to schools augments this resource further.</p>
<p>In order to make the School financially viable the Authority I think needs to look at options to increase pupil numbers such as outsourcing the staff expertise, widening its admissions criteria to include for example a sixth form, girls, short-term rest spite placements or other additional learning needs.</p>	<p>Formal changes to the school designation requires statutory consultation.</p> <p>The local authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people</p>

	<p>with neurodevelopmental disorders, including ASD.</p> <p>The changes suggested, whilst attractive, would require significant capital investment.</p> <p>As a Council, we have tried to work with Mounton House to share their expertise across all of our school settings.</p>
<p>If the admissions panel were able to be more flexible then MHS would have more pupils and in time could again earn MCC money again.</p>	<p>Mounton House staff have always attended the admission panel and take an active part in panel decisions regarding admissions. Pupils with ASD have not been considered for admission given the school's designation with Welsh Government and skill set of staff within the school.</p>
<p>Primary schools within Monmouthshire are saying they need help with their pupils, we can provide that if we take away the statement process.</p>	<p>The local authority agrees that earlier identification and intervention is beneficial for all; the schools and the pupils benefit from this and it is the stated aim of the new ALN and Tribunal Act.</p> <p>However, Mounton House is designated for secondary aged boys only and is unable to support primary schools directly.</p>
<p>There are many children statemented with ASD within Monmouthshire, staff within the school are able to support and teach these children, why are we sending them out of county?</p>	<p>The Local Authority agrees that provision needs to be developed for children and young people with ASD within a whole authority ASD strategy.</p> <p>However this is not the current designation of Mounton House and as such it is not fit for purpose to meet the needs of Monmouthshire pupils with complex neurodevelopmental needs.</p>
<p>We believe that even with the existing admissions criteria there is also scope for increasing admissions from other authorities.</p>	<p>Mounton House staff have always attended the admission panel and take an active part in panel decision regarding admissions.</p> <p>Pupils with ASD have not been considered for admission given the schools designation with Welsh Government and skill set of staff within the school.</p>

	<p>Neighbouring LAs have or are in the process of developing their own provision and some have indicated they do not have confidence in Mounton House as a provision.</p>
<p>Let the pupils from other authorities play out their time, yet future admissions would only include Monmouthshire pupils. Allow one year for us to show that we can be full to capacity. By making these changes the benefits will include:</p> <ul style="list-style-type: none"> • Financial gain for Monmouthshire when at capacity, reducing the cost per pupil • Knock on effect that will lessen the burden on mental health services, drug/alcohol abuse, crime and unemployment in the future • Supporting the mental health of current pupils with the level of care, guidance and support they receive at MHS 	<p>The Local Authority has considered the impact of closure on existing pupils and details elsewhere in this report how it proposes to meet the needs of them going forward.</p>
<p>In order to make the School financially viable the Authority I think needs to look at options to increase pupil numbers such as outsourcing the staff expertise, widening its admissions criteria to include for example a sixth form, girls, short-term rest spite placements or other additional learning needs.</p>	<p>The Local Authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p> <p>Formal changes to the school designation requires statutory consultation.</p> <p>The local authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.</p>
<p>The provision for pupils across Monmouthshire is unsatisfactory because it simply does not exist for girls and for primary aged pupils. This is</p>	<p>The Local Authority agrees that provision needs to be developed. However, it also recognises that there is a requirement to support all of our children with ALN.</p>

unacceptable. The council should expand the school to deal with 3-18 year olds, both male and female, who are otherwise disruptive to other students within mainstream classrooms.	Formal changes to the school designation requires statutory consultation and the local authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.
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Theme 4	A view that the provision offered at Mounton House is unique and cannot be offered elsewhere	
Summary comment / concern	LA response	
The School not only offers academic qualifications but also a wide range of vocational qualifications onsite such as mechanics, plumbing, painting and decorating and photography. What other provisions in Monmouthshire offers this?	<p>Whilst recognising this as a positive development, the Local Authority believes that any special school needs to provide a range of vocational courses for its pupils. However as previously stated Mounton House is exclusively for boys and does not provide the same opportunities for girls.</p> <p>Other settings such as the Pupil Referral Service (PRS) offers vocational courses for both boys and girls.</p>	
The reason the pupils have been referred to the School is mainly that they were at risk of permanent exclusion so returning them to the mainstream school environment will not work for them. The need to reduce permanent exclusions was a priority of the Inclusion Report. The School has built relationships with outside agencies such as Social Services, the Police, MIST, the Youth Offenders Services etc. Will this information/contact be lost if the School closes?	<p>Unless recommended by the Annual Review process, Monmouthshire is not proposing to move any pupils currently attending Mounton House School to a mainstream provision.</p> <p>The local authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p>	
I believe that Mounton House School provides a highly valuable service to parents and young people in my local area of Chepstow. To close this facility would suggest that the county council	Currently Mounton House does not offer equality of access as it only offers provision for secondary aged boys aged 11-16.	

<p>does not wish to adhere to the Equalities Act.</p>	<p>The number of children from the local area is very small and has been over the past period. Currently, there are no pupils from the local area attending the school or expected to attend the school from September 2019. Over the past five years, numbers have been consistently very low.</p> <p>There are two pupils from the Caldicot area, four from Abergavenny and one from Monmouth.</p>
<p>The School provides excellent teaching and should remain open</p>	<p>The Local Authority recognises the work of the current staff and noted the work undertaken following the last Estyn inspection report when teaching was judged to be adequate.</p> <p>However, the provision remains limited to secondary aged boys and does not meet the needs of children and young people with complex neurodevelopmental needs.</p>
<p>The staff at Mounton are highly trained, dedicated and caring and are committed to providing every young person in their care with the opportunity to reach their full potential. The school has a strong record of success, with their young people moving on to further education, employment and training.</p>	<p>The Local Authority recognises the work of the current staff however; the provision remains limited to secondary aged boys and does not meet the needs of children and young people with complex neurodevelopmental needs.</p>
<p>Every young person has the right to receive an education no matter of their abilities. I have witnessed first hand the amazing and specialist work that staff at this school does and how they help all the young people that come through their doors, helping them to become ready to succeed in life.</p>	<p>The Local Authority recognises the work of the current staff however; the provision remains limited to secondary aged boys and does not meet the needs of children and young people with complex neurodevelopmental needs.</p>
<p>Mounton House School offers a range of specialised services to help their pupils and should be praised. The site is exceptional. The grounds and building are unique and fit for purpose although the Authority has not funded the maintenance of some of the buildings. What other site in Monmouthshire offers vocational studies courses, social care, general qualifications and a residential</p>	<p>The Local Authority recognises the work of the current staff however; the provision remains limited to secondary aged boys and does not meet the needs of children and young people with complex neurodevelopmental needs.</p> <p>Other settings such as PRS also offers vocational courses for both boys and girls.</p>

<p>provision? Has the Authority considered if it is making the most of this provision?</p>	<p>Whilst the grounds are exceptional, areas of the current building require significant investment to bring it up to both current building standards and health and safety regulations.</p>
<p>The staff are highly trained and have a great relationship with the pupils. Managing difficult behaviours is not easy and teaching how to change these emotions more so. This expertise should not be lost. The School has established relationships with the Police, Social Services, the Youth Offenders Services, safeguarding agencies, health care agencies, other Local Authorities etc which help to improve so many young people's lives and therefore Monmouthshire society as a whole.</p>	<p>The Local Authority recognises the work of the current staff however; the provision remains limited to secondary aged boys and does not meet the needs of children and young people with complex neurodevelopmental needs.</p> <p>All of Monmouthshire schools and educational services e.g. the PRS have positive relationships with partner agencies, these are not unique to Mounon House.</p>
<p>The school provides an invaluable service for vulnerable young boys with psychological & emotional issues.</p>	<p>The Local Authority recognises the work of the current staff however; the provision remains limited to secondary aged boys and does not meet the needs of children and young people including girls, with complex neurodevelopmental needs.</p>
<p>Many children benefit from the education they receive here. Mainstream school is not appropriate as schools at present do not have the time or facilities in which these pupils need.</p>	<p>The Local Authority recognises the work of the current staff however; the provision remains limited to secondary aged boys and does not meet the needs of children and young people with complex neurodevelopmental needs.</p> <p>Unless recommended by the Annual Review process, Monmouthshire is not proposing to move any pupils currently attending Mounon House School to a mainstream provision.</p>
<p>There are no indications that suitable placements have been identified that would provide the nurture and therapies the pupils need and which are currently provided at Mounon House School.</p>	<p>Monmouthshire will work with the placing Local Authorities, parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.</p>

	Mounton House Special School does not provide recognised clinical therapies but does provide access to some treatments for the students.
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Theme 5	Concern that there is no alternative provision for children with SEBD
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Summary comment / concern	LA response
I am concerned about the education provision for pupils in Monmouthshire with SEBD. I believe we have a need for this provision and these pupils will not sustain a placement in a mainstream setting. The authority needs to be improving these provisions not to be removing them. Monmouthshire needs more specialist provision not less.	The Local Authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.
There are insufficient publicly funded alternative locations / places available in county, or even within SE Wales for those pupils (male & particularly female) who are unable to access mainstream education, as a result of social & emotional & behavioural difficulties & who really need an alternative education provision.	<p>The Local Authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p> <p>Other neighbouring Local Authorities are developing, or have already developed, provision to meet the needs of their own children and young people with challenging behaviour.</p>
I am worried that MCC will not have any provision within the authority for pupils with behavioural issues. This will be a major loss in MCC's provision for pupils of all abilities and special needs. The alternative provision of a provider in the county which is a private provider and not under the control of the authority. The other provision in an another authority will involve a journey of at least an hour and a half to Penarth.	<p>The Local Authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p> <p>Analysis of our ALN data shows that pupils with ASD are the largest</p>

	<p>identified group of pupils with statements of special educational need in Monmouthshire. The Local Authority recognises the need to develop further provision, which includes this group of pupils.</p>
<p>The number of pupils with serious behavioural issues will not decline and MCC has a duty to offer them in county good quality provision .</p>	<p>Analysis of our ALN data shows that pupils with ASD are the largest identified group of pupils with statements of special educational need in Monmouthshire. Pupils with ASD are the cohort of children that has grown most significantly in recent past and that trend looks set to continue.</p> <p>ASD pupils can also present with challenging behaviour associated with their condition. The local authority recognises the need to develop further provision, which includes this group of pupils.</p>
<p>I feel that there has not be any long term solutions given for the SEBD boys currently in county.</p>	<p>The Local Authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p>
<p>Last year MCC were consulting to expand their provision for ALN which shows there is a need within Monmouthshire.</p>	<p>The consultation did not gain widespread support and did not progress through the political process.</p>
<p>The number of fixed term exclusions is increasing, suggesting a growing need for special provision.</p>	<p>The vast majority of pupils with fixed term exclusion would not be considered for special school provision.</p> <p>The earlier intervention which the Local Authority is putting in place in all its secondary schools will enable schools to provide targeted support and reduce numbers of fixed term exclusions.</p>
<p>There will always be a need to place pupils with emotional and behavioural</p>	<p>The Local Authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support</p>

<p>needs in a specialist setting away from a mainstream school</p>	<p>pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p> <p>The Local Authority agrees that there will be a need to place a very small number of pupils in specialist settings.</p>
<p>The authority need to be improving these provisions not to be removing them. Monmouthshire needs more specialist provision not less.</p>	<p>The local authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p>
<p>There are not enough provisions in Monmouthshire as it is for children with Additional Learning Needs so shouldn't be taking away the ones we have</p>	<p>The Local Authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p>
<p>Where would all the current children go and any future children that need that level of support. There are a lot of new housing estates being built around Caldicot , Magor , Chepstow and the families children need to go to school. All the schools in the local areas are over subscribed so closing a special school where it's needed will have an impact on all the other schools , such as congestion, which brings pollution.</p>	<p>Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.</p> <p>The Local Authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p> <p>From September 2019, there will be sixteen pupils on roll at Mounton House,</p>

	<p>eight of whom either reside in Monmouthshire or form Monmouthshire's responsibility as the Corporate Parent. Unless recommended by an Annual Review none of these pupils would be allocated a place in a mainstream secondary school. For September 2020 this number would fall to 5 pupils.</p>
<p>My daughter's education has been continually disrupted by the presence in her class of a boy with clear SEBD who should not be anywhere near mainstream education. The Council should look at how difficult it is for youngsters to get statemented as a reason behind the declining pupil numbers at MHS.</p>	<p>The Local Authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p> <p>The Local Authority adheres to the regulations and guidance regarding statutory assessment as outlined in the SEN Code of Practice for Wales. The relatively high percentage of children with a statement of special educational need in Monmouthshire (just over 3%) would suggest that there is not a decline in the number of children with statements in the county. However, the majority of statements are for children and young people with ASD not solely SEBD. Mounton House School does not admit pupils with this diagnosis, which supports the local authority's view regarding the future of the school.</p>
<p>Centralising any service reduces quality and actually increases cost in the long term. Keep kids local to their schools.</p>	<p>The Local Authority is investing in each of its secondary schools to provide additional resources to provide earlier interventions for schools and to support pupils. This investment is part of a graduated pathway to respond to pupils' needs as they progress through school. Staff experienced in managing challenging behaviour will deliver this additional support.</p>
<p>The Council is choosing to invest in sending pupils with a high level of need to out of county placements rather than</p>	<p>The Council is trying to utilise its resources to best effect for the majority of pupils. For all children who require</p>

<p>investing in its own in county provision. This is complete mismanagement</p>	<p>additional support we follow an informed and graduated response through their mainstream school.</p> <p>Only when all alternatives have been tried and exhausted would we look to place out of county at an independent setting.</p> <p>Monmouthshire is a small authority and scale prohibits provision for some of the most complex needs. Where this does happen, we place the child in the most appropriate setting to meet their individual needs..</p>
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Theme 6	Concerns towards the processes associated with this consultation	
Summary comment / concern	LA response	
<p>The consultation document is bizarrely flawed, biased and incomplete to the point of being fraudulent. It does not provide the necessary information of what alternative provision will be made, explain the reasons why children from out of area will no longer be using the services (thereby undermining the financial situation - and whether this can be changed), bizarrely attempts to suggest that no children using the services will emerge from younger ages in the next few years (though this information must be available) and seems to have been created solely to justify a closure decision.</p>	<p>Monmouthshire has a duty to all the pupils it currently educates including those at Moun-ton House.</p> <p>The original consultation document did provide information about future Local Authority provision however not all of this was progressed by political approval.</p> <p>The Local Authority is investing in each of its secondary schools to provide earlier, local intervention for schools and pupils.</p> <p>ALN data shows that pupils with ASD are the largest identified group of pupils with statements of special educational need in Monmouthshire. These pupils can also present with challenging behaviour associated with their condition. The local authority recognises the need to further develop its provision, which includes this group of pupils.</p>	
<p>The ALN review undertaken 12 months ago gave reassurance of expanding in county provision and Moun-ton House</p>	<p>Proposals in the ALN review consultation 2018 were not widely</p>	

formed part of this. Categorical and absolute assurances were given that the removal of some existing provision (e.g. “middle tier at Caldicot”) would be compensated through expanding in county provision. The process has been dishonest and therefore the review should be reopened.

supported and did not progress in their entirety.

The element that secured political approval was for the local authority to invest in each of its secondary schools to provide earlier, local intervention for schools and pupils.

The review set out that the Special Needs Resource Base (SNRB) in Caldicot School would no longer support pupils with moderate learning difficulties. This is entirely in line with the expectations of the new ALN and Education Tribunal Act. These children would not require provision at a county level.

The review has been transparent and open through all of its stages.

Monmouthshire County Council need to have in place a viable alternative for the educational needs of the pupils before any decision is taken to close

Monmouthshire will work with the home LA, parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.

Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.

These decisions will be concluded significantly in advance of July 2020.

Rather than being part of a fully worked out long term strategy, it appears to be a proposal made in haste as a result of unexpected difficulties encountered during the ALN review. We reject the argument put forward in some consultation meetings that the ALN review included a proposal to close Mounton House in that the original proposal was to change and enhance its role and rename it. This is very different from closing down the school and making staff redundant.

The original proposal in the initial consultation was to change the role and function of Mounton. To secure this proposal the process that needed to have been followed would have been closure of the existing Special School and re-opening a new Special School that could cater for a wider range of identified need.

Even with the initial proposal, the Local Authority recognised that the skills and experience of the majority of the current

	<p>staff focus on working with secondary boys with SEBD and the Local Authority would have required staff with the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.</p>
<p>The consultation document is unclear on its reasons for closing the school and the driving factor behind this. Is this simply signs of cutting costs again?</p>	<p>The Local Authority has identified that specialist provision is required to cater for the following:-</p> <ul style="list-style-type: none"> • girls and boys, • a wider age range of pupils, and • to meet the identified ALN needs of Monmouthshire pupils, which would include ASD. <p>The Local Authority needs to utilise existing resources to meet this wider range of provision.</p>
<p>The fall in numbers from these authorities in recent years has at least in part been due to uncertainty over the future of the school over a number of years (e.g. having been categorised red). The school has made huge strides since this and is now categorised yellow, but authorities will need certainty that the school will remain open before sending their pupils.</p>	<p>Responses from neighbouring authorities are included in this documentation.</p> <p>Whilst the uncertainty regarding the school's future is a factor, comments also include concerns regarding the quality of provision and consistency of behaviour management.</p>
<p>The timing behind the proposals is completely inappropriate. Closure by December 2019 does not give time for alternative proposals to be developed, carefully considered, consulted upon and put into place. Closure in December, part way through the school year, would be detrimental to pupils and make it more difficult for staff to find alternative employment. Job losses have not been synchronised with the creation of posts under the ALN review.</p>	<p>The Local Authority has recognised that closing in December would not be in pupil's best interests and has extended the proposed date of closure to August 2020.</p> <p>Should proposals to close Mounton House Special School proceed, all staff would be placed 'at risk' and supported to find alternative employment where possible in line with the Protection of Employment Policy for School Based Employees.</p> <p>Given the nature of the consultation exercise the staff have not been placed 'at risk' as per the protection of</p>

	<p>employment policy. However, HR officers held individual meetings with staff and confirmed their options. Every opportunity available through the directorate's ALN team were sent to staff.</p> <p>In the main staff felt they didn't want to leave as they wanted to see the outcome of the consultation exercise, however, some have left for external posts.</p>
<p>The consultation proposals contain no details of alternative strategies. The consultations document merely states: "Should the proposals to close Mounton House Special School proceed following statutory process, the Council will consider the opportunities to invest in a new delivery model that meets the full range of needs of children and young people residing within the county who have Social and emotional Behavioural difficulties." This is vague in the extreme. It makes no reference to the time that it takes to establish such a model, test its viability and establish its costs.</p>	<p>As part of its strategy to meet the needs of pupils presenting with challenging behaviour in Monmouthshire, the local authority is investing in each of its secondary schools to provide earlier, local intervention for schools and pupils.</p> <p>There are further detailed proposals within the body of the cabinet report that highlight how the current cohort's needs will be met.</p> <p>Analysis of ALN data shows that pupils with ASD are the largest identified group of pupils with statements of special educational need in Monmouthshire. These pupils can also present with challenging behaviour associated with their condition. The local authority recognises the need to develop further provision, which includes this group of pupils.</p>
<p>The proposal makes no sense. The School is such an asset to the Authority offering a valuable and unique service to the most vulnerable young people in society.</p>	<p>Mounton House School is only able to offer provision to boys aged 11-16 with SEBD. The extremely narrow criteria means that there is no specialist provision offer for vulnerable primary pupils and girls with highly complex neurodevelopmental needs.</p> <p>The school currently offers its service to only seven Monmouthshire pupils.</p>
<p>If MHS closes I feel like it will be a short term cash fix which will not solve the long term need that Monmouthshire will face.</p>	<p>As part of its strategy to meet the needs of pupils presenting with challenging behaviour in Monmouthshire, the local authority is investing in each of its secondary schools to provide earlier, local intervention for schools and pupils.</p>

	<p>There are further detailed proposals within the body of the cabinet report that highlights how the current cohort's needs will be met.</p> <p>Analysis of ALN data shows that pupils with ASD are the largest identified group of pupils with statements of special educational need in Monmouthshire. These pupils can also present with challenging behaviour associated with their condition. The local authority recognises the need to develop further provision, which includes this group of pupils.</p>
<p>The proposal does not give details on this and is vague on what provisions will be made available.</p>	<p>As part of its strategy to meet the needs of pupils with Behaviour within the Local Authority, The local authority is investing in each of its secondary schools to provide earlier, local intervention for schools and pupils.</p> <p>There are further detailed proposals within the body of the cabinet report which highlight how the current cohort's needs will be met.</p> <p>ALN data shows that pupils with ASD are the largest identified group of pupils with statements of special educational need in Monmouthshire. These pupils can also present with challenging behaviour associated with their condition. The local authority recognises the need to develop further provision, which includes this group of pupils.</p>
<p>There is no reference to the time that it takes to establish such a model, test its viability and establish its costs.</p>	<p>As part of its strategy to meet the needs of pupils with Behaviour within the Local Authority, The local authority is investing in each of its secondary schools to provide earlier, local intervention for schools and pupils.</p> <p>These posts are accounted for and recruitment processes have been undertaken.</p>

	<p>There are further detailed proposals within the body of the cabinet report that highlight how the current cohort's needs will be met.</p>
<p>The fall in numbers from these authorities in recent years has at least in part been due to uncertainty over the future of the school over a number of years (e.g. having been categorised red).</p>	<p>Responses from neighbouring authorities are included in this documentation. Whilst the uncertainty regarding the school's future is a factor comments include concerns regarding the quality of provision and consistency of behaviour management.</p> <p>Other Local Authorities have also developed their own provision to meet the needs of pupils with challenging behaviour.</p> <p>The process of categorisation is a function fulfilled in partnership by the Educational Achievement Service (EAS) and the Local Authority. It reflects the level of support that any school requires. At the time of its red categorisation, the school was in the statutory Estyn Category of '<i>Requiring Significant Improvement</i>'.</p>
<p>MCC should have spent the money they had on this school and education rather than Spytty Park.</p>	<p>The money allocated to the acquiring the commercial development has come from a different funding stream and this resource would not have been able to be used to spend on education.</p>
<p>It is right to close the school, however there appears to be no current plans to improve provision for pupils with needs that cannot be met within mainstream education. Exploring opportunities for alternative provision is nowhere close to providing seamless support & services to these very vulnerable and needy children and young people.</p>	<p>This is the view of the Local Authority as resources need to be utilised to provide investment for</p> <ul style="list-style-type: none"> • a wider age range of pupils • meet the identified ALN needs of Monmouthshire pupils, which would include ASD. • ALN provision for girls and boys, <p>As part of its strategy to meet the needs of pupils presenting with challenging behaviour within the Local Authority, The Local Authority is investing in each of its secondary schools to provide earlier, local intervention for schools and pupils.</p>

	<p>There are further detailed proposals within the body of the cabinet report that highlight how we will meet the current cohort's needs.</p> <p>Analysis of ALN data shows that pupils with ASD are the largest identified group of pupils with statements of special educational need in Monmouthshire. These pupils can also present with challenging behaviour associated with their condition. The local authority recognises the need to develop further provision, which includes this group of pupils.</p>
<p>Due to your extensive building plans laid out in your LADP there is going to be increased demand on other schools in the County...It also feels that this might be an opportunity to gain some prime building land!</p>	<p>There are no plans to utilise the site of the school for any other purposes. Restrictions on the access to the site preclude residential development.</p>
<p>A view that the Council has not provided accurate projections on future need at Mounton House Special School</p>	<p>The trend in ALN requirements has seen significant growth in the category of ASD.</p> <p>These figures will be set out in the body of the Cabinet Report that considers this consultation report.</p>
<p>The pupil friendly version of the consultation document is only available to those affected by the proposals. Are all pupils in all schools not affected if pupils with EBD are placed in mainstream?</p>	<p>Unless recommended by the Annual Review process, Monmouthshire is not proposing to move any pupils currently attending Mouton House School to a mainstream provision.</p>
<p>The consultation document does not suggest an alternative delivery model which indicates a lack of planning by the LA and a mismanagement of resources</p>	<p>As part of its strategy to meet the needs of pupils presenting with challenging behaviour within the Local Authority, The local authority is investing in each of its secondary schools to provide earlier, local intervention for schools and pupils.</p> <p>There are further detailed proposals within the body of the cabinet report which highlight how the current cohort's needs will be met.</p> <p>ALN data shows that pupils with ASD are the largest identified group of pupils</p>

	with statements of special educational need in Monmouthshire. These pupils can also present with challenging behaviour associated with their condition. The local authority recognises the need to develop further provision, which includes this group of pupils.
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6.3 Specific comments / concerns raised by Headteacher of Mounton House

The below table summarises the key concerns raised by the Headteacher at Mounton House Special School:

Summary of concerns raised
<ul style="list-style-type: none"> • There should be a well-planned, fully costed 3rd option. • There is clear need across the authority (not truly reflected by MHS numbers) for the provision if it had wider age & designation • Staff skill and resilience is now at risk of being lost • Current provision across MCC for vulnerable learners in MCC is poor as displayed by increasing figures of FTE & PX • There is still a demand for provision from other authorities so there remains the possibilities of the school bringing in revenue • To date we have seen no evidence of any plans for the £6 million capital needed to improve the building. The LA is shortsighted in how it could use WG capital available for ALN funding. • There is a lack of business planning or vision for how MHS could be used across agencies • The consultation is poor and lacks any real detail of how learners will be supported
Local Authority Response
<p>As part of its strategy to meet the needs of pupils with Behaviour within the Local Authority, the local authority is investing in each of its secondary schools to provide earlier, local intervention for schools and pupils. This has increased the capacity of the PRU from 15 full time places to 36 full time places. 24 of these places allow the Local Authority to provide earlier intervention.</p> <p>There are further detailed proposals within the body of the cabinet report, which highlight how the current cohort’s needs will be met.</p> <p>The Local Authority has a relatively high percentage of children with a statement of special educational need at just over 3%. However, the single largest element of this population are for children and young people with ASD and not behavioural difficulties. We do however recognise that challenging behaviour can be symptomatic of children with ASD but we are also clear that the underlying</p>

condition requires a different approach to that of a child with social, emotional and behavioural difficulties.

Mounton House School does not admit pupils with this diagnosis, which supports the local authority's view regarding the future of the school. The Local Authority agrees that provision needs to be developed.

Formal changes to the school designation requires statutory consultation and the local authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.

The Local Authority continues to have relatively low rates of permanent exclusion when compared with neighbouring Local Authorities and statistical neighbours. The Local Authority works hard with schools to avoid the need for permanent exclusion uses managed moves and intervention from the Pupil Referral Service. However, there have been incidences whereby schools have determined that they need to permanently exclude a pupil to ensure that the pupil could not return given the seriousness of the event or preceding events.

Rates of fixed term exclusion have increased across the consortia this academic year including in Monmouthshire. The investment in earlier intervention in secondary schools should impact positively upon the rates of fixed term exclusion across secondary provision within the Local Authority as head teachers have raised concerns previously that there is no earlier intervention for pupils displaying challenging behavioural issues. We do not believe that the provision of an 'off-site' special school for pupils with challenging behaviour is an appropriate response to increased levels of fixed term exclusions. The challenge facing all schools and educational services is to be as inclusive as possible and provide an engaging curriculum for all.

Responses from neighbouring authorities are included in this documentation. Whilst the uncertainty regarding the school's future is a factor comments include concerns regarding the quality of provision and consistency of behaviour management.

Other Local Authorities have also developed their own provision and have indicated that they are not looking to place pupils at Mounton House; e.g. Newport, Blaenau Gwent and South Gloucestershire.

Property services used an agreed existing formula to calculate the costs of the refurbishment to ensure that the site would be suitable for the proposed provision in the original consultation. These formulae are based on published guidance. They provide an appropriate and prudent cost estimation but are not based on a detailed plan.

The original consultation focused upon developing educational provision. The Local Authority is working closely with Social Care via the MYST approach to support children and young people and maintain them in placements closer to home. However, the current provision at Mounton House is very narrow. It

provides for SEBD (Secondary aged boys only). Pupils are being supported via the MYST programme and many of those who are known to Social Care would need a wider range of provision which would provide for girls and boys and meet the needs of children and young people with neurodevelopmental disorders, including ASD.

As part of its strategy to meet the needs of pupils with challenging behaviour within the Local Authority, we are investing in each of our secondary schools to provide earlier, local intervention for schools and pupils.

There are further detailed proposals within the body of the cabinet report that highlight how we will meet the current cohort's needs.

In addition, during the consultation process, Senior Officers held consultation meetings with staff of Mounton House special School. A full record of the questions and concerns raised at these sessions is located at appendix 3.

6.4 Specific comments / concerns raised by Governors of Mounton House

The Council has received some formal responses to this consultation from members of the governing body of Mounton House special School. The below table summarises the key concerns raised:

Record of concerns raised
<p><u>Respondent 1</u></p> <p>1. The proposal to close the school seems to be based on the following reasons:</p> <ul style="list-style-type: none">a) The capital cost of £6.4m to convert the premises to create a mixed age and gender school;b) The running costs of the present school with the present funding formula based on places rather than pupil numbers;c) The cost per pupil for Monmouthshire being higher than the cost per pupil for pupils from other LA s.d) The decline in pupil numbers in the last 5 years. <p>2. The consultation document contains some misrepresentations of the background:</p> <ul style="list-style-type: none">a) In school categorisation, there are 4 categories – red/amber/yellow/green. The school is now categorised as 'yellow' which does not represent 'in need of considerable support'!

b) The decline in pupil numbers is entirely due to the admissions policy of Monmouthshire to insist that only pupils with a statement of need for SEBD can be admitted. This is in contrast to the policies being followed by other LA s. The LA has failed to record or report the proportion of applications for admission which have been declined. In the last 2 years, there have been 37 applications for admission to the school which have been refused by the Admissions Panel because the student had a statement for ASD and not SEBD.

c) The consultation document argues that Monmouthshire is effectively subsidising the placement of pupils from other LA's because of the decline in student numbers and the funding arrangement of reserved places. The decline in numbers as explained above, is due to the failure of the LA to change the designation of the school to enable the admission of students with needs other than SEBD. The fee charged to other LA s for pupils at Mounton House is determined by Monmouthshire; if it is too low then it is the LA who is to blame!

d) It should be noted that the majority of special schools in England are private fee paying schools. Why is an LA Special School unable to thrive when there seems to be demand for this type of provision?

e) The consultation document fails to record the provision of an 'outreach' support service being provided by the staff of Mounton House to other secondary schools in Monmouthshire who are seeking to cope with challenging behaviour and adapt to the new procedures required by the Welsh Government with regard to Individual Development Plans for each child.

3. The consultation document makes vague suggestions as to what provision will be made for pupils when the school closes. The reality is that there seems to be no clear plans as to how.when.where provision will be made. There is a reference to units in secondary/primary schools without the recognition that if the pupils are on the roll of these schools, there is the distinct possibility of the pupils being excluded if and when their conduct is deemed too challenging. The LA will then have the need to make provision for these pupils. There is a risk that the students could be subjected to a revolving door education service with moves from one school to another to another. For students at the extremes of need, that would not be a good education!

4. The consultation document infers that pupils who have been excluded can be enrolled with the Pupil Referral Service. Does the regulatory framework allow pupils to be enrolled with the PRS on a long term basis?

5. The consultation document refers to the use of Headlands School in Penarth as an alternative arrangement and yet also refers to the preference for pupils to be educated within their own community! The travel time from Monmouthshire to Penarth is possibly longer than the journey time to Chepstow!

6. The consultation document refers to the use of a private school in Monmouth for the placement of pupils. The question that raises is why is a private school able to thrive and a LA maintained school is not able to!

7. The consultation document is correct to state that the present situation cannot be allowed to continue. Alternatives to closure should have been considered:

a) Redesignate the school as providing education for students with a wider range of Additional Learning Needs and for both genders and a wider age range. This would facilitate a change of the outdated Admissions Policy so that admissions are based on the ability of the school to cater for the needs of the individual pupil;. In other words, an Admissions Policy which starts with premise of 'yes' to applications with a 'but' where the admission would require new resources. Where the 'but..' may incur additional costs, that could be included in the proposed charge to the relevant LA

b) Change the funding formula to reduce the reserved places to match the predicted number of students from Monmouthshire. The fee charged for students from other LA's would be based on assessment of the costs of meeting the needs of that particular student.

c) Review the capital costs associated with adapting the premises to cater for girls and boys on the basis of what can be done within a capital budget of £2m. The changes should be introduced on a phased basis.

d) Create a link to Social Services Department for the provision of respite care for young people which would assist in the funding of the school.

Conclusion From media reports and information within the education sector, special schools in other LA s are catering for an increasing number of pupils with a diverse range of needs. The consultation document does seem to acknowledge the growing need and yet Monmouthshire is proposing to close its' facility. Is this a case of short term thinking with longer term consequences?

Local Authority Response

The Governing Body is correct to identify that the £6.4m cost to re-provide the provision at Mounton House School is prohibitive.

The ability of the school to support its pupils with a staff body commensurate with funding on a per capita basis is questionable. The school has been funded to its capacity until the 2019/20 financial year and once previously in preparation for the 2016/17 financial year when an element of funding was withdrawn.

The Council strives to find a balance of charging placing authorities at a level that covers the cost of the placement and the average placement in the market for a similar placement. Over the recent past, the recoupment level has increased steadily over the last three years putting the cost of a day place in the middle range compared to similar provisions in other local areas.

With regards to the apparent misrepresentations contained within the consultation report:

Concerning admissions and admissions policy, Mounton House staff have always attended the admission panel and take an active part in panel decisions regarding

admissions. The Authority have also supported the school where they do not believe that they have the ability to meet a student's needs or that they pose a potential risk to the wider student body.

Pupils with ASD have not been considered for admission given the schools designation with Welsh Government and skill set of staff within the school.

As stated above the Authority seeks to achieve a recoupment charge that is appropriate. The full cost recovery of places in the school would prohibit placements from other local authorities.

The comparison with independent schools in England is not valid as we are in the Welsh market. The demand for the provision has simply not been seen in the recent past.

The 'outreach' provision identified by the Governing Body has been in place only for the later part of the past year. The recent work with Chepstow School was arranged bilaterally between the schools and the Local Authority has not been party to the cost or any evaluation of the impact of this intervention.

The Cabinet Paper that accompanies this consultation report sets out the provision for all pupils in the school. This document (the Consultation Report) also sets out the aims and objectives of the education service in Monmouthshire.

Monmouthshire works closely with all of our secondary schools and its Pupil Referral Service to ensure that pupils are effectively placed and can access a meaningful education. The Authority remains unconvinced that the management of behaviour in the mainstream within Monmouthshire requires a SEBD Special School. The number of referrals to Mounton House from MCC schools over the past period is very low and the number of children in Monmouthshire who attend Mounton House is also low (seven at the start of the 2019-2020 academic year).

Year	2014	2015	2016	2017	2018
Total Referrals	38	24	29	37	19
Monmouthshire Referrals	2	2	2	5	3

The Monmouthshire PRU / PRS is a service specifically designed for pupils at risk of exclusion in Key Stage 4 (years 10 and 11). The recent expansion to support schools via a PRS 'in-reach' service is designed to ensure that pupils do not require longer-term removal from a mainstream setting.

Travel to school distances and times will always be challenging in a County such as Monmouthshire. The authority recognises that the distance to Headlands is a challenge however; its designation allows the school to support children with the dual diagnosis of ASD and SEBD. For that reason and despite its distance, it is the most suitable setting.

Similarly, the consultation document identifies the Tallocher School as an alternative provision. The school is able to admit boys and girls of the full age range and again this range in its designation makes it a suitable placement.

The Governing Body's response rightly recognises that the status quo is not a sustainable solution. The proposals for alternative provision would require significant capital investment. These capital costs (c. £6.4m) were established following work by property professionals and recognise the need for extensive works on the school to take place to ensure that it is a school fit for the most vulnerable learners.

The school would require re-designation to expand its ability to accept girls and pupils of primary school age. The proportion of statemented children in Monmouthshire presenting with SEBD needs is now only 13% of the population. In any configuration, Mounton House would not necessarily be the most appropriate provision for all of those pupils.

The Authority agrees that multi-agency services such as MYST are the most effective means of supporting the most vulnerable young people. There is not professional agreement that the type of residential setting that Mounton House offers is in line with that required by those most complex cases that children's social services are supporting.

Response 2

Creation of Inclusion Centres in each of the four Secondary Schools, expertise of SEBD by staff is required for this to be successful. Hub idea seems too fragmented perhaps? Will they work? Who will run these? How will they be run? Training costs for staff to develop the skills required to teach those with SEBD? There has always been a history of those students with SEB who simply cannot maintain mainstream schooling / site. The SEBD Unit in Chepstow Comprehensive School, which was close many years ago, catered for the whole of Monmouthshire. Even then, the mainstream site and inclusion into lessons was inappropriate for some. The curriculum and bespoke packages provided by the excellent staff in Mounton House have been the making of many, many students who would have otherwise failed. It has been an excellent experience for those who have attended. Out of county places are expensive. Why not maintain Mounton House and stop sending students out of county? Surely, if it closes, then more will be sent out of County? 16 students sent out of County, are these KS2 and girls? There is a lot of on-site spare capacity which could be utilised. The original proposed ideas of phased provision for KS 3 / 4 girls and subsequently KS2 and for those having a broader range of additional needs is an excellent proposal. The expertise is already there. Why were the original proposals shelved? It is stated that fixed term and permanent exclusions have increased. Why then close Mounton House? Why are the numbers on roll falling? Is it due to the Admission procedure? Is it necessary for a student to have a Statement? How many students have been declined a placement in Mounton House? Estyn – Mounton House has improved greatly. New delivery model. What is this? What are the options of delivering an alternative provision? There will always be a need for a Mounton House School as there will always be those students who simply cannot access mainstream education. What will happen to those students? Has the LEA a clear vision? Why are Headlands school and the private school in

Monmouth being accessed? Special Schools in England are definitely on the increase, according to the media.

Local Authority Response

The Inclusion Centers will provide outreach support, managed by the Pupil Referral Unit (PRU), to deliver school based interventions to pupils displaying challenging behaviour. The nature of support will be agreed between the PRU Co-ordinator and the school designated Wellbeing Lead. This provision will be part of a graduated response and complement school based strategies with the aim of enhancing pupil's self-regulation to enable them to maintain their school placement. Staff in the PRU are experienced and skilled in effectively supporting pupils presenting with challenging behaviour and have established strong strategic partnerships between the PRS and local schools and colleges that enable pupils to access courses and specialist teaching facilities elsewhere in the community. This will allow for the provision of bespoke packages to deliver a broad and appropriate curriculum.

The Local Authority agrees that specialist provision is required to cater for the following:-

- girls and boys,
- a wider age range of pupils
- to meet the identified ALN needs of Monmouthshire pupils, which includes ASD.

As ASD is the largest single diagnosis of ALN in Monmouthshire and it is also the fastest growing. Consequently, the Local Authority need to reflect this in its provision and ensure that staff have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.

The school would require re-designation to expand its ability to accept girls and pupils of primary school age and formal changes to the school designation require statutory consultation. Whilst the grounds are exceptional, areas of the current building require significant investment to bring it up to both current building standards and health and safety regulations.

The proportion of primary and secondary fixed term exclusions shows an increasing trend over the past 5 years. The number of permanent exclusions have increased over the same period and particularly in the last three years. Analysis of our exclusion data indicates that more children are presenting with challenging behaviour. Many of these learners have a range of wider additional learning needs that require additional and targeted resourcing to enable them to access education successfully.

Over the last five years the needs of children and young people for whom Local Authorities are seeking provision at Mounton House has increased and as a result, fewer applications meet the designated admission criteria which requires a statement of Special Educational Needs for SEBD. No pupil has been refused where they meet the admission criteria. There have been very few referrals to Mounton House from Monmouthshire schools over the same period. At the same time, there has been an increase in the number of referrals to the PRS because schools are identifying this as a more suitable provision to meet individual needs.

For the very pupils who may need special school provision solely for SEBD, the Local Authority will secure this from other schools or providers.

In addition, during the consultation process, Senior Officers held consultation meetings with governors of Mounon House special School. A full record of the questions / concerns raised at these sessions can be found under appendix 4

6.4 Views of those in favour of proposals

The table below summarises the responses received from those in favour of proposals to close Mounon House Special School:

Summary Comment	LA Response
The provision for pupils across Monmouthshire is unsatisfactory as there is no provision for SEBD for girls and primary age children. The school should close but Monmouthshire must invest in an alternative to benefit all pupils across the county	The Authority agrees with this statement and recognises the need to invest in provision to support all of our children with ALN.
Children and young people should be given the best possible opportunity to be educated within mainstream settings with appropriate levels of support. Current financial pressures do not allow for this.	<p>The Authority agrees that all children should be given the opportunity to progress in a mainstream school with their peers. We are investing in all of our secondary schools to secure a graduated response to challenging behaviour that allows this to happen.</p> <p>The Authority also recognises that finances are challenging in all schools and educational services.</p>
Current provision does not meet the needs of all SEBD learners within Monmouthshire. There needs to be high quality SEBD provision for boys and girls whatever age. However, in closing Mounon House, MCC must ensure all resources, monies, expertise, knowledge and leadership are re-invested into MCC ALN and Inclusion provision to support schools, teachers and learners. The re-investment of all resources should develop a provision that allows learners with identified	The Authority agrees with this statement and recognises the need to invest in provision to support all of our children with ALN.

SEBD to thrive in full time education within an appropriate setting and make a successful transition into adulthood	
The current SEBD provision at Mounton House is only for boys aged 11 - 16. We need SEBD provision that meets the needs of girls and younger pupils.	The Authority agrees with this statement.
It would allow children of all ages to access specialist provision that they desperately need. There are so many children in mainstream schools who do not the necessary support which causes difficulties for them and has a massive effect in other Children in their classes.	The Authority agrees with this statement and recognises the need to invest in provision to support all of our children with ALN.
I feel the school is too expensive to run and that provision can be outsourced at a cheaper price. The alternative to closing is to increase its numbers but it can't continue with so few pupils on roll and the cost per pupil being so high.	The Authority remains committed to its objective to educate as many children as possible as close to their community and in the right provision as is possible. The selection of a placement is based on the needs of the child and in some cases their parent's preference.
The provision needs to be accessible for all ages and both genders. There is inequality currently.	The Authority agrees with this statement.
It is recognised that the Council needs to save money during this time of austerity and therefore support the proposed closure of the school to redeploy staff and financial resources. However, there is a need for clarity that the closure would not negatively impact on mainstream schools.	Unless recommended by the Annual Review process, Monmouthshire is not proposing to move any pupils currently attending Mounton House School to a mainstream provision.

6.5 Views of placing Local Authorities

As part of this consultation exercise, the Council contacted neighbouring Authorities to seek their views on the proposals to close Mounton House Special School. Unfortunately, very few neighbouring authorities responded to the consultation within the set timescales.

The views of our neighbouring authorities (particularly those with a history of placing pupils at Mounton House Special School) are imperative to this process and the future of Mounton House Special School. Officers have therefore contacted such authorities since the response closing date to ensure their views on the provision at Mounton House Special School could be incorporated into this report.

A response to this consultation has subsequently been received from the following neighbouring / placing authorities:

Local Authority	Summary response
Blaenau Gwent County Council	<ul style="list-style-type: none"> • Placement of Blaenau Gwent pupils over the last few years have been inconsistent due to uncertainties around the future of the school. • The provision offered at the school over the last few years have also caused concern leading to sourcing placements elsewhere
Vale of Glamorgan County Council	<ul style="list-style-type: none"> • A view that Mounton House Special School has previously managed some of the Vale of Glamorgan's most challenging pupils • A view that there are very few placements available in South Wales so such provisions should remain available
South Gloucestershire County Council	<ul style="list-style-type: none"> • A view that alternative provision is now available in South Gloucester and therefore there would not be a need to place at Mounton House Special School
Torfaen County Council	<ul style="list-style-type: none"> • A view that Monmouthshire's proposals are sensible given that it doesn't have in county provision for many vulnerable pupils leading to a need to seek out of county placements

Unfortunately, the Council has been unable to draw from this consultation whether or not there is an appropriate demand for future placements at Mounton House Special School should it remain open.

6.6 Views of the Education Achievement Service (EAS)

The EAS support the Local Authority's Option 2 to close Mounton House School and secure alternative provision. EAS supports this option because:

1) It allows the Local Authority to develop more suitable and inclusive provision for the learners in Monmouthshire who are identified with having additional learning needs. It also ensures provision for a wider age range (all key stages) and includes girls.

- 2) It allows learners to attend more local settings rather than having to travel out of county. Spending less time travelling would improve pupils' well-being and enable learners to spend more quality time with their families and in school
- 3) A greater number of learners can remain in school, not only reducing travel time, but enabling them to remain in familiar surroundings and retain already established relationships with their peers and with staff
- 4) The proposed model lends itself to increased collaboration within and between schools, sharing practice and working closely together. This aligns with key aspects of the National Mission and the EAS Business Plan advocating joint working and sharing in order to ensure learners receive the best possible provision.

7. ESTYN Response

The School Standards and Organisation (Wales) Act 2018 requires the Council to consult with ESTYN on statutory School Organisational matters. Below is the response received from ESTYN in relation to this consultation concerning the proposed closure of Mounton House Special School:

Introduction

This report has been prepared by Her Majesty's Inspectors of Education and Training in Wales.

Under the terms of the School Standards and Organisation (Wales) Act 2013 and its associated Code, proposers are required to send consultation documents to Estyn. However Estyn is not a body which is required to act in accordance with the Code and the Act places no statutory requirements on Estyn in respect of school organisation matters. Therefore as a body being consulted, Estyn will provide their opinion only on the overall merits of school organisation proposals.

Estyn has considered the educational aspects of the proposal and has produced the following response to the information provided by the proposer and other additional information such as data from Welsh Government and the views of the Regional Consortia which deliver school improvement services to the schools within the proposal.

Conclusion

The proposer has presented a suitable case for the closure of Mounton House special school. However, the proposer has not presented well enough exactly how it will continue to meet the needs of those pupils who currently attend this provision. Therefore it is Estyn's view that there is a lack of clarity as to whether the proposals are likely to at least maintain the standard of education provision in the area.

Description and benefits

The proposer has presented a clear rationale for the proposal. It appears to be to address falling rolls, issues of high costs and to review the current provision so that it meets a wider range of children with SEBD and not just secondary school aged boys.

The proposer has outlined the two options that they considered. These are to maintain the status quo or to close the school to allow the proposer an opportunity to develop more appropriate provision. The expected benefits and disadvantages of each option appear to have been suitably considered and the reasons for choosing the preferred option seem to be valid and reasonable. The proposer has also stated that they will fully explore all other available options in developing a new delivery model. However it is not clear enough as to why the proposer cannot consider other available options while the school remains open.

The proposer has identified four risks that are associated with this proposal. It has proposed generally appropriate counter measures to address three of these risks. However, the counter measure for the risk of educational instability for pupils affected does not provide sufficient detail about the alternative arrangements for these pupils.

The proposer commits itself to continue to provide free home to school transport for pupils whose needs are met by the provision. The proposer provides details of numbers on roll, projected numbers and capacities at Mounton House special school and also at schools affected by the proposal. However, it has not provided sufficient analysis of this data to demonstrate how surplus places could be affected by the proposal.

The proposer appears to have considered the impact of the proposals on Welsh medium provision. It considers that the proposal is not directly linked to the WESP but that it would endeavour to appoint suitably experienced Welsh speakers. It also states that the proposal would not expand or reduce Welsh language provision within the local authority.

Educational aspects of the proposal

The proposer has appropriately considered the likely impact of the school closure on education standards, provision and leadership. It makes clear reference to the outcomes of the most recent Estyn inspections, as well as the regional consortium's categorisation of the school. However, it makes no reference to the fact that at the last inspection in 2015, Mounton House special school was placed in the category of requiring significant improvement or that it was removed from this category following an Estyn monitoring visit in November 2017.

The proposer asserts that it will continue to work in partnership with the regional consortium to secure a greater level of support for schools named within the proposal to ensure that the current level for standards, wellbeing and leadership are enhanced following the implementation of the proposal.

The proposer clearly sets out the standards of school performance for Mounton House special school and its closest neighbours over the past three years, where pupils are most likely to go following closure. However, there is insufficient commentary regarding whether educational standards are likely to be maintained following the closure of the school.

The proposer has considered the impact of the proposal on ALN learners. In addition, it has completed an equality impact assessment for pupils with some of the protected characteristics. However, it has not sufficiently considered the impact of the proposal on all the protected characteristics for example, gender reassignment and sexual orientation.

7.1 Councils' response to ESTYN

The Local Authority is grateful for Estyn's response. In relation to meeting the needs of a small number of pupils affected by closure, Monmouthshire will:-

- work with parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.
- Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.

When reviewing pupil's statements, any protected characteristics such as sexual orientation and gender reassignment will be considered (should they arise) as part of the review process.

The Local Authority recognises that the school was placed in the category of requiring significant improvement and that it was removed from this category following an Estyn monitoring visit in November 2017. Since this time, the school has continued to improve the quality of learning experiences through the delivery of bespoke packages and this has led to better outcomes for the pupils. As a result, the school is now categorised as yellow, requiring lower levels of support.

The Local Authority proposes to extend the capacity of the PRU to meet the needs of the pupils who will be in Years 10 and 11 in September 2020. The PRU have established strong strategic partnerships between the PRS and local schools and colleges that enable pupils to access courses and specialist teaching facilities elsewhere in the community. This gives breadth to the curriculum and enriches pupils' learning experiences as identified in the most recent Estyn Inspection April 2018. Given the range of expertise and experience in the PRU, the Local Authority is confident that the standard of education for this group of learners will be maintained.

For younger pupils (Key Stage 3 as of September 2020) who would still require access to specialist SEBD provision, the Local Authority will liaise with placing

authorities to secure suitable, high quality placements from alternative special schools or providers.

8. General overview and consensus

The consultation process undertaken proved to be without doubt a useful exercise, providing a full and open opportunity to test and critique the proposal concerning the future of Mounton House Special School.

The summary of responses under section 6 of this report show clear support against the Council's proposals to close Mounton House Special School. However, an analysis of the feedback received from the consultation has enabled us to draw four key themes as to why consultees may not be in favour of the proposals:

Theme 1	Local Authority mitigating response
<p>A concern that the children and young people will not cope in mainstream education, and that the education of those already in mainstream will be disrupted.</p>	<p>The Council has confirmed through this report that the children on roll at Mounton House Special school will not be returned to mainstream education should the proposals to close the school proceed.</p> <p>The children and young people concerned are in receipt of a statement of special educational needs which determines the specialist provision required to meet individual needs. This may, or may not, be delivered in a special school. The annual review of a statement will continue to determine the type of provision required, including the support needed to ensure that the child or young person can participate in education successfully.</p>

Theme 2	Local Authority Response
<p>A concern that there is no other alternative provision that is suitable for the children and young people at the school</p>	<p>Should proposals to close Mounton House Special School proceed, Monmouthshire will work with the relevant Local Authorities, parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.</p> <p>Annual Review meetings will identify individual pupil needs and make</p>

	<p>recommendations for alternative provision.</p> <p>For those attending KS4 provision (year 10 and 11 from September 2020), the Council proposes to maintain local provision supported by the Pupil Referral Service to ensure any disruption to children and young people is minimised at this critical time. However, this is not a mandatory provision and parents / children concerned will be consulted on options for future provision should proposals proceed.</p>
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Theme 3	Local Authority Response
<p>A view that the council needs to maintain special provision due to a growing demand for appropriate support for children with additional needs</p>	<p>The consultation on the closure of Mounton House Special School has been brought forward through an ongoing review of provision for ALN and Inclusion services across the County. This review has identified that the provision currently offered at Mounton House Special School is meeting the needs of only a very small number of Monmouthshire learners. At the same time, we are using a greater number of placements in out of County settings due to overcome the lack of local provision In a period of challenging resources the Local Authority needs to be able to draw upon its full resource to support its full range of children with ALN.</p> <p>The proposals to close Mounton House would not be implemented to bring forward financial savings, but to reinvest in provision that meets a wider range of needs; this would include those with SEBD as well as the full range of other needs such as ASD.</p>

Theme 4	Local Authority Response
<p>A view that the Council should invest in Mounton House Special school to develop a provision that meets the future needs of our community</p>	<p>In 2018, the Council consulted on extending the provision at Mounton House Special School to meet a wider range of additional needs. The</p>

	<p>proposal included providing provision for both boys and girls and the full age range.</p> <p>Cabinet did not progress the development of an overarching special school following the previous consultation exercise. There were two reasons for this: the management structure of the proposed new special school. The consultation <i>'highlighted a significant level of concern from some consultees towards the proposals to place the management of the SNRB centres with the new special school. The concerns focussed around governance arrangements, responsibilities and a risk of causing segregation of our children and young people on these sites.'</i></p> <p>Secondly, the feasibility works undertaken identified that the site / building would require significant investment (circa £6.4 million) to enable the implementation of this proposal. Therefore, this option was not taken forward through the political process. It was agreed that this would be recast and this is the subsequent consultation.</p>
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Through analysis of the feedback received during the consultation period, the Council is able to draw some clear recognition from consultees that the provision offered at Mounton House Special School in its current form is only meeting the needs of a small number of Monmouthshire learners and is therefore unsustainable without redevelopment on the site.

In recognition of the significant investment required to develop the Mounton House site and buildings to provide a provision that meets the growing needs of learners across the county, the recommendation is to move forward and publish the proposal to close Mounton House Special School. The proposals will allow the Council to reinvest the funds into an alternative model that meets a wider range of need, including provision of services for those with ASD and SEBD for both boys and girls of Primary and Secondary age.

Appendix 1 - List of Consultees with whom we consulted

- Parents, Guardians and carers of all pupils at schools directly affected by the proposal
- Headteacher, staff and governors of schools directly affected by the proposal.
- Out of county Schools affected by the proposal.
- Pupils/Pupil Councils of schools directly affected by the proposal
- Headteachers of all schools in MCC area
- All MCC Members
- Welsh Ministers
- All MCC Town and Community Councils
- All MCC Assembly Members representing the area served by the school
- All Members of Parliament representing MCC area
- Directors of Education of all bordering LAs – Blaenau Gwent, Newport, Powys, Torfaen, Herefordshire, Gloucestershire
- Directors of Education of affected LA's – Caerphilly, South Gloucestershire, Merthyr, Bristol, Rhonda Cynon Taff, North Somerset, Somerset, Swindon, Vale of Glamorgan, Cardiff
- Principals of Coleg Gwent
- MCC Youth Service
- GAVO
- Monmouthshire Governors Association
- Teaching Associations
- Support Staff Associations
- Policy Officer (Equalities & Welsh Language)
- Welsh Government
- ESTYN
- Church in Wales Diocesan Trust, Director of Education
- Roman Catholic Diocesan Trust, Director of Education
- South East Wales Education Achievement Service
- Gwent Police and Crime Commissioner
- SNAP Cymru Parent Partnership Service
- Local Health Board

Mounton House Special School Pupil Consultation 10th April 2019

The pupil consultation meeting took place on 10th April 2019 at Mounton House Special School. The meeting was facilitated by Jacquelyn Elias (Principal Officer Additional Learning Needs, Monmouthshire County Council), Natasha Liles (Senior Schools Admission Officer, Monmouthshire County Council) and Mr Kieran Dash (Assistant Head Teacher and ALNCO, Mounton House Special School).

A representative group of pupils met to discuss the consultation document and to ask the Local Authority representatives questions. Some pupils were confident to meet as a group other pupils preferred to meet on an individual basis or in pairs. Participating pupils were given a copy of an accessible version of the consultation document and a response sheet (Appendix A). Copies of these documents were left at the school so that all pupils could have a chance to respond to the consultation. These documents were also emailed to the Head Teacher. One young man provided a typed response, which is included at the end of this report.

There was no formal structure to the meeting and the boys were given opportunities to speak freely and ask questions. The following represents the main topics discussed.

1. Is Mounton House going to close?

JE explained to the children and young people that no final decision had been made yet. JE told the children and young people that this was their chance to tell Monmouthshire County Council what they thought about the proposal to close Mounton House. JE said that their views and the views of everyone that responded to the consultation would be included in a report that would go to a Council meeting in June. It would be at this meeting that a decision would be made.

2. What is important about Mounton House School?

Pupil Responses

All the pupils spoke very positively about the staff

- 'In Mounton House you get more help and support. They understand you, if you kick off you don't get dumped to the floor.'
- 'Staff go out of their way to help children - Mr Dash does three jobs!'
- 'This is my seventh school. It is the best school I've been to. Teachers spend more time with me. I get to know the teachers. Other teachers don't treat you like they do in here.'
- 'In Mounton House if you fight, staff give you the opportunity to tell the whole story, to say what has happened'

Pupils expressed concern about the number of staff who may leave or who are leaving Mounton House because it may close. One pupil said that the most important thing about Mounton House was ‘the staff...if staff leave that will change the school’

2 What makes Mounton House different to the other schools the boys had attended?

Pupil Responses

- ‘It’s different -good. I’ve got more of an opportunity to get an education here.’
- ‘In mainstream I had problems following the rules, I have a temper. Here I don’t get angry so much’
- ‘Friends are important here - you have friendship groups’
- ‘Children make progress here - we can do things that help us get into college like BTec. In mainstream I wouldn’t have got anything’.
- ‘Smaller classes help - when there are less people. Any more than four for me causes problems’
- You get to do things like getting qualifications for things like painting and decorating and plumbing’
- We have a chance to do things outside like forest schools - I like go-karting’
- We have a therapy dog called Nancy who comes in to help us - she makes us feel calm’

The boys talked about the Reflexology they have access to on a Monday or Friday. They all said they really liked this and said it made a difference to how they felt.

3. Is there anything that needs changing or that Mounton House could do differently?

Pupil Responses

- ‘Things need to change but you’re going about it the wrong way’
- The building is dangerous, it needs work’
- ‘Access to the roof is too easy’
- ‘There needs to be more children here - we need more pupils’
- ‘It would be good if Mounton House staff could help other kids in mainstream who are having problems’
- ‘Could other kids from other comps access this place?’
- There needs to be more facilities like play areas’.

4. Other Comments

- Year 10 pupils said it was really important that they would get the chance to finish year 11 as they would be doing courses other schools couldn’t provide like BTecs
- A Year 11 pupil said that he would have like to stay in Mounton House after he was 16 - he felt he needed more time in a place he felt safe before he went to college.

- Some pupils thought the school should include younger (primary) pupils but others thought that younger children should be kept separate.
- Some pupils were happy that the school was for boys only but another pupil thought that it would be better to have girls at the school.
- One pupil said that he thought the land would be sold. He said he had looked into this and if the farmer who lives next to the school sold some land, there would be access to the school site. JE said that selling the land the school was on was not something the Local Authority was considering.
- Most pupils asked what would happen to them if the school closed. They were concerned that they would be put back into mainstream schools and that this would not be a good thing for them. One pupil felt that putting Mounton House children back into mainstream classes would not be good for mainstream children. JE said that she could not tell them now which school they would go to, as she would need to meet with them and their families to discuss what kind of school would meet their needs. Should Mounton House School close, it would be very important to make sure that any new school would be right for them.

Individual Pupil Response to Consultation by Pupil I

I think that MHS is a positive environment for young boys who have attended it in the past and present, yes I have seen some boys get chucked out for bad behaviour but I have also seen many people turn their lives around while in Mounton house.

The staff in Mounton House are mostly caring, loving people who are trying to help the kids get a better future by getting us qualifications. A majority of them treat us like family, even the care takers are nice and friendly.

The facilities at Mounton house school try and cater for us as best they can, we have a gym, reflexology, games and sports room and a sensory room, pool room. They also have a wide range of BTec and outdoor education courses.

How I feel about MHS compared to mainstream schools, I have been in many mainstream schools and got excluded from them. So when I came to MHS I was happy to find out they cater for many different boys.

I don't think many of the boys would last in mainstream. If I was younger and away from this school I would refuse to attend and sit on my Xbox at home.

The kids in mainstream would miss out on learning opportunities, it would be a bad opportunity for the kids at MHS who have already been kicked out of mainstream.

Appendix 3 - Consultation session with staff of Mounton House Special School

MOUNTON HOUSE CONSULTATION MEETING WITH STAFF 28TH MARCH 2019 @ 3.30PM

25 Attendees (Staff) Jacqueline Elias, Will McLean, Jill Thomas, Matthew Jones, Nikki Wellington

Claire Young & Wendy Edwards (Note Takers)

Head Teacher Opens Meeting and states that pupils have been unsettled since news. States that there are no new answers, in the same position as last year.

Summary of comment / question	LA Response
<p>HT Stated that she had attended the Select Committee last week and was pleased that it was a democratic process. Stated that staff are concerned for jobs but more concerned about the young people. HT stated that she was shocked by only 2 choices being discussed at the Select Committee when there was 4 options on the Cabinet paper. Stated councillors would go for Option 3 and she agreed that Mounton House is not successful in current format and needs to have wider admissions.</p>	<p>Mounton House only provides education for a small number of Monmouthshire secondary aged boys on roll (7 in September 2019). There is no provision for primary aged pupils or girls within the Local Authority or for younger children.</p> <p>Formal changes to the school designation requires statutory consultation and the local authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD</p>
<p>Concerned no ASD provision in Monmouthshire & children have to go out of county which is a large cost, when staff at Mounton House can meet needs of ASD and have done so in the past, and gives an example of a child at Mounton House with ASD whose needs were met.</p>	<p>The Local authority would agree that provision needs to be developed for children / young people with ASD within a whole authority ASD strategy. However, this is not the current designation of Mounton House and as such it is not fit for purpose to meet the needs of Monmouthshire pupils with complex neurodevelopmental needs.</p>
<p>States a review was supposed to have been done in 2013 and it wasn't and it could have improved numbers if had been done.</p>	<p>The Local Authority reviewed ALN provision following the Estyn inspection in 2012 to address concerns identified.</p>
<p>Wants clarity on what is going to happen to current Yr 11 if Mounton</p>	<p>The Local Authority has considered the impact of closure on existing pupils and</p>

<p>House closes? States can't just have 2 members of staff teaching them.</p>	<p>details elsewhere in this report how it proposes to meet the needs of them going forward.</p> <p>The local authority recognises the work and dedication of the current staff however, the provision remains limited to secondary aged boys and does not meet the needs of children and young people with complex neurodevelopmental needs.</p>
<p>When are they going to get pupils views as not spoken to officially? As concerned that pupils views won't be taken into the consultation as they won't be in over Easter, when the consultation closes?</p>	<p>There was a pupil engagement session on the 10th April 2019. This took place after the consultation had closed because of the dates of school holidays but has been included in the consultation report.</p>
<p>Concerned how vulnerable the boys are and that they had to find out on the Friday before the half term, via the news and not by an official from Monmouthshire Council.</p>	<p>Monmouthshire work with the LA, parents and pupils affected by the proposed closure to ensure continuity of provision.</p> <p>The deferral of the potential closure date to August 2020 negated the necessity to tell the students about any next steps.</p>
<p>Have Monmouthshire taken into account new ALN bill in 2020 where statements will be no longer? Staff states that closure of Mounton House will result in children being sent out of county which goes against legislation of keeping children close.</p>	<p>Monmouthshire will work with the LA, parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.</p> <p>Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision. This is in line with the new Act.</p>
<p>Why hasn't the option of taking girls in at Mouton House been looked at? As empty rooms upstairs which could be used.</p>	<p>The Local Authority agrees that specialist provision is required to cater for the following:-</p> <ul style="list-style-type: none"> ○ girls and boys, ○ a wider age range of pupils <p>to meet the identified ALN needs of Monmouthshire pupils, which would include ASD.</p>
<p>Why do we need significant capital to have girls on site? As have had them on site before?</p>	<p>Other services such as PRS also offers vocational courses for both boys and girls. Whilst the grounds are exceptional, areas of the current building require significant investment to</p>

	bring it up to both current building and health and safety regulations.
Head Concerned nobody has seen plans or proposals of the 6.4 million expenditure? Last year it was stated that the school could be refurbished with £2 million. What does the 6.4 million proposal look like? What could we achieve with the 2 million?	Whilst the grounds are exceptional, areas of the current building require significant investment to bring it up to both current building and health and safety regulations.
Questions new consultation paper, questions admission figures, as they are ever changing and that there are a lot more options available than stated in paper. One being that Mounton House could admit non statemented boys and take a wider age ranges.	The Local Authority agrees that provision needs to be developed. However formal changes to the school designation requires statutory consultation and the local authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.
HT Concerned that Mounton House Panel only accept statemented children. JE responded. HT states that one of the focus points needs to be on admission criteria, as 37 children were refused in the last 3 years because they weren't statemented.	The Local Authority agrees that provision needs to be developed. However formal changes to the school designation requires statutory consultation and the local authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.
Staff question and state who is on panel as they don't know.	Mounton House staff have always attended the admission panel and have taken an active part in panel decisions regarding admissions.
Asks if cost stated by WM reflects transport cost?	<p>Monmouthshire is a rural Local Authority and many children travel some distance to their schools. An analysis of travelling distances to proposed new provisions post 2020 indicates that additional travel costs would be limited to two pupils.</p> <p>The Authority completed a mileage assessment to Headleands / Talocher and only 2 pupils would be required to travel significantly further.</p> <p>In this assessment, we have only looked at KS3 as alternative provision is proposed for KS4.</p>

<p>Staff states that price at Mounton House includes therapies as other provisions don't.</p> <p>HT comments that Talocher differentiate placement costs and therapy cost but Mounton House don't.</p>	<p>Applications for pupils requiring therapeutic provision have been declined as Mounton House does not offer therapeutic input.</p> <p>Mounton House Special School does not provide recognised clinical therapies but does provide access to some treatments for the students.</p>
<p>Staff member stated that WM's comment "it's more costly to have children at Mounton House than it is out of county", is a mock statement.</p>	<p>Statement of opinion</p>
<p>Staff Need to know who is on panel, as admission process hasn't changed. JE responded. Staff state they don't know who is on panel and that the 2013 consultation should have changed the admission criteria to stop this from happening.</p>	<p>Mounton House staff have always attended the admission panel and have taken an active part in panel decisions regarding admissions. The representatives on the panel are determined by the school.</p>
<p>HT states that the building does need knocking down and rebuilding, but it's not about the building as it's the practice inside the building that counts.</p>	<p>The Local Authority agrees that provision needs to be developed. However formal changes to the school designation requires statutory consultation and the local authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.</p>
<p>Staff States not about money, as per a previous EAS paper but about what goes on inside. JE agrees and WM states as part of the Consultation, the other 4 Local Authorities will feed back as to what they need to place pupils at Mounton House. Staff ask, will this be shared with staff, WM confirms it will.</p>	<p>Responses from other Local Authorities are included as part of this paper</p>
<p>Staff State they don't want to debate, they just want to be heard and they are not working against the Local Authority.</p>	<p>Statement</p>
<p>Staff State how will mainstream staff cater for BESD kids as they can't cope, as expertise for this is at Mounton House. If Mounton House closes how</p>	<p>The local authority recognises the work of the current staff and noted the work undertaken following the last Estyn Inspection report when teaching was rated as adequate. However, the</p>

<p>does Monmouth propose to meet the needs of BESD kids?</p>	<p>provision remains limited to secondary aged boys and does not meet the needs of children and young people with complex neurodevelopmental needs.</p>
<p>If decision is black & white, this is making staff worried about their jobs and forcing them to look for other positions and they are concerned that Mounon House will lose experienced, expertise because of the consultation.</p>	<p>The original proposal in the initial consultation was to change the role and function of Mounon. To secure this proposal the process that needed to have been followed would have been closure of the existing Special School and re-opening a new Special School which could cater for a wider range of identified need.</p> <p>Even with the initial proposal, The Local Authority recognised the skills and experience of the current staff were restricted to secondary aged boys with SEBD and the Local Authority would have required staff with the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.</p>
<p><u>HT</u> How do you plan to use staff expertise at Mounon House, going forward in a new provision?</p>	<p>The local authority is investing in each of its secondary schools to provide earlier intervention for schools and pupils. This will be delivered by staff experienced in managing challenging behaviour.</p>
<p><u>HT</u> States skills of the team & Outreach at Mounon House is better than in a mainstream school. States it's hard to talk about this without getting emotional. Gives an example of a pupil and the team and the environment at Mounon House, which all combined had a positive result on the child which wouldn't have happened in any other environment, such as a mainstream setting. Where the pupil required 2 staff to support them, due to needing a face change every 20 minutes.</p>	<p>The local authority is investing in each of its secondary schools to provide earlier intervention for schools and pupils. This will be delivered by staff experienced in managing challenging behaviour.</p>
<p><u>HT</u> States that in recent documents there are 130 people in Monmouth identified with ASD/SEBD with statements, and questions why aren't Mounon House staff being able to make</p>	<p>The local authority is investing in each of its secondary schools to provide earlier, local intervention for schools and pupils.</p>

<p>an impact on this? States more flexibility needs to be created so that staff at Mounon House can offer their expertise.</p>	<p>ALN data shows that pupils with ASD are the largest identified group of pupils with statements of special educational need in Monmouthshire. These pupils can also present with challenging behaviour associated with their condition. The local authority recognises the need to further develop provision, which includes this group of pupils.</p>
<p>Staff States SEBD/ALN is growing worldwide. Asks why someone at county hall couldn't have monitored & saw the levels drop at Mounon House and flag this up sooner?</p>	<p>As above</p>
<p>States since the announcement of closure, interest in Mounon House has increased, as 5 other authorities have made new referrals.</p>	<p>Responses from neighbouring authorities are included in this documentation.</p>
<p>Asks why aren't Monmouthshire pupils charged less? Curious as to how Monmouthshire costs fair to other Local Authorities.</p>	<p>Costs in Monmouthshire are comparable and remain in the middle range in relation to other other similar provisions.</p>
<p>Asks why wasn't Mounon House considered for the regeneration/investment programme (21st century schools funding)?</p>	<p>Whilst the grounds are exceptional, areas of the current building require significant investment to bring it up to both current building and health and safety regulations.</p>

Appendix 4 - Consultation session with Governors of Mounton House Special School

MOUNTON HOUSE CONSULTATION WITH GOVERNORS 28TH MARCH 2019 @ 4.45PM

4 Governors & Head Teacher, Jacqueline Elias, Will McClean, Jill Thomas, Nikki Wellington, Matthew Jones

Apologies from Governors Gareth, Carol & Emma.

Claire Young & Wendy Edwards (Note Takers)

Head Teacher does Introductions

Summary comment / question	LA Response
<p>HT Raises question governors asked her about consultation on re-designation of catchment. All schools were asked to send that out to parent/carers. Why were they not asked to send this consultation to all parents?</p>	<p>Formal changes to the school designation requires statutory consultation and the local authority follow the consultation requirements in full. This is not a re-designation of catchment.</p>
<p>HT states if any other parent/carer wants to complete consultation they can do so on line on the Monmouthshire website.</p>	<p>Comment</p>
<p>Governor states doesn't want to go over what has been discussed in previous meeting with staff.</p> <p>HT states staff are concerned about pupils if school closes.</p>	<p>Monmouthshire will work with the LA, parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.</p> <p>Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.</p>
<p>concerned over placing pupils in Yr11 back in mainstream especially given the proposed closure date of December, as that is in the middle of exams and they will be affected greatly as they won't engage in mainstream. Also concerned that Yr10 will lose time whilst they integrate and cannot foresee that pupils will settle into a new setting.</p>	<p>The local authority has recognised that closing in December would not be in pupil's best interests and has extended the proposed date of closure to July 2020 to enable year 11 pupils to complete their formal education at Mounton House.</p> <p>For the small number of pupils affected by the proposed closure then Annual Review meetings will identify individual pupil needs and make</p>

	recommendations for alternative provision.
HT States one of the strengths at Mounon House is working hard at building relationships. States that this consultation is a trauma for them and the pupils are going through trauma. They are devastated that their school might close and it has been extremely hard to engage them since the announcement. States they are not coping well. Staff are not talking about their jobs, they are talking about the pupils.	The local authority recognises the work of the current staff and noted the work undertaken following the last Estyn Inspection report when teaching was rated as adequate. However, the provision remains limited to secondary aged boys and does not meet the needs of children and young people with complex neurodevelopmental needs.
Governor States doesn't understand why Mounon House panel hasn't accepted more children and not changed the criteria? HT and another Governor stated not aware that the panel could change admission criteria.	The Local Authority agrees that provision needs to be developed. However formal changes to the school designation requires statutory consultation and the local authority would require staff who have the appropriate specialist skills and qualifications to meet the needs of children and young people with neurodevelopmental disorders, including ASD.
Governor States Mounon House is in the best place it's been in 10 years he's been here, especially with Estyn report. Doesn't understand why Mounon House can't take kids that mainstream schools are struggling with	As above
Governor States that there seems to be a lot of kids out there that Mounon House could help but are not.	As above
Governor States that its always been about driving numbers up, however the statementing criteria is stopping this because statementing is taking too long. HT states that she wishes she had questioned the panel before, but never thought they would be in this position.	Monmouthshire Local Authority require pupils who attend specialist provision to have a statement to ensure that the graduated response has been followed by schools and that pupils are appropriately placed.
HT States they have increased their Outreach work and done lots to be creative, and would like to do more at primary. Governor states that they feel they have not been allowed to be as creative as they wanted to be.	Unless recommended by the Annual Review, Monmouthshire LA is not proposing to place pupils in mainstream provision. The local authority is investing in each of its secondary schools to provide earlier intervention for schools and pupils.

<p>HT States it's unfair to be rung in August asking for a member of staff for Outreach programme. Stated their Duke of Edinburgh programme was good. HT states she believes that they should be more flexible and that the admission criteria needs changing.</p>	<p>Formal changes to the school designation requires statutory consultation and the local authority follow the consultation requirements in full.</p>
<p>Governor States that he is sad that Mounon House have already lost 2 teachers because of this consultation and fears that there will be more by the end of it. Gives example of maths teacher leaving who has had excellent results at Mounon House.</p>	<p>Statement</p>
<p>Governor States that he doesn't understand why Mounon House is not being promoted across the bridge? Asks why girls can't be brought in as it wouldn't cost a lot. Also questioned why Primary Children couldn't be brought in, as Mounon House can cater for primary, which has been proven by their Out Reach service that is being done in Primary schools. Also questions why Mounon House is not offered out to Bristol & Birmingham?</p>	<p>The Local Authority agrees that specialist provision is required to cater for both genders a wider age range of pupils and to meet the identified ALN needs of Monmouthshire pupils, which would include ASD.</p>
<p>HT Says that WM's response of "the school has not been stopped from marketing the school", is correct, but because of ALN reform they haven't been able to do so.</p>	<p>Statement – I don't understand why the Act would limit this?</p>
<p>Governor feels some aspects of the school are unfairly represented in consultation document. Especially their yellow categorisation. HT explains further that in the consultation document that it didn't explain the yellow categorisation properly, and as it stated that the school still needs significant work.</p>	<p>Schools are categorised on the level of support they need to continue along the improvement journey.</p> <p>Welsh Government determines the criteria and Regional consortia are responsible for managing the categorisation process</p>
<p>Governor Questions How the site might be used in future? And states that the plan as to how that might be, would've been useful to have been produced alongside the closure consultation documents and could stop staff leaving. It could've also reduced the pain it's caused and the failure to talk about what could happen has put losing staff at greater risk</p>	<p>The LA will work with , parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.</p> <p>Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.</p>

The site cannot be used for residential use.

Appendix 5 - Consultation session with Parents and interested parties

MOUNTON HOUSE CONSULTATION WITH PARENTS 28TH MARCH 2019 @ 17.40PM

15 Attendees (6 sets of parents as advised by Head Teacher)

Jacqueline Elias, Will McClean, Nikki Wellington and Matthew Jones

Claire Young & Wendy Edwards (Note Takers)

Summary comment / question	LA Response
Was told last year that it was cheaper to keep children in county than to send out of county? So where are the children going to go? Also questioned the upgrade costs last year?	The LA will work with , parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway. Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.
someone didn't do their job right and staff and boys at Mounon House have been treated badly and was disgusted by this.	Statement
So where will the boys go?	The LA will work with , parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway. Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.
What happens to non-Monmouthshire children? stated doesn't want her grandson (who is in Yr8) to go anywhere else as Mounon House is the best setting for him.	Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.
States that their child is a Torfaen pupil, and concerned about changing provision to local provision.	As above
Asks what work has been done at looking at a regional service? What are the other LA's doing to look at providing the same service, as Mounon House, in their area?	Other Local Authorities have also developed their own provision to meet local needs

<p>Asks why aren't other authorities placing kids at Mounton House?</p>	<p>Responses from neighbouring authorities are included in this documentation. Whilst the uncertainty regarding the school's future is a factor comments include concerns regarding the quality of provision and consistency of behaviour management.</p>
<p>States on consultation document there is no social care agencies?</p>	<p>Statement</p>
<p>Said her son's case worker didn't know what was going on at Mounton House, and the closure consultation. His case worker found out via a newspaper article. Her son is in Yr10 and is having a major break down as he is worried about what could happen. He wants to be a Teaching Assistant but is worried that he won't be able to.</p>	<p>The LA will work with LA, parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.</p>
<p>Parent states that she has struggled to be listened to for years over concerns over her son. Since being at Mounton House he has done really well and cannot be placed back into mainstream school. (Parent became very upset) Stated that she is very worried about her family being ripped apart and stated that her son has made so many positive relationships with staff in school. Not thinking about the child, just money and not thinking about the families that will be effected. Her son is in Yr8/9 and is called Liam. States you just have to meet him to see what the school has done for him. He was suicidal before coming to Mounton House. He now feels he's found a place where he fits. Parent states that son has melt downs multiple times a day because of this consultation.</p>	<p>Monmouthshire will work with the LA, parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.</p>
<p>If you think this provision is so vital why are you shutting it down? Son asked this last year. You spend £21 million buying a retail park, so £6.4 million is a drop in the ocean. Parent states that the boys don't understand why Monmouth will spend £21 million on a retail park but not on them? They feel like they've been kicked in the teeth. Parent says that you cannot lie to the boys.</p>	<p>The Local Authority agrees that specialist provision is required to cater for both genders a wider age range of pupils and to meet the identified ALN needs of Monmouthshire pupils, which would include ASD.</p>

<p>Says her son said why bother going tonight as they are all liars and why should he still go to school as the school is going to close and he will come away with no qualifications. You could give them a million pounds and they still won't believe you. Son is starting his GCSE'S YR11.</p>	<p>The LA will work with , parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.</p>
<p>States she has every sympathy with everyone coming here to speak, but she is disappointed that no one has looked at why the numbers have dropped? It's very disappointing about the numbers when it's such a simple question and the boys shouldn't be put in this position before the question of numbers dropping has been answered. Parent re-iterates Social Care needs to be addressed.</p>	<p>Mounton House only provides education for a small number of Monmouthshire secondary aged boys on roll (7 in September 2019). There is no provision for primary aged pupils or girls within the Local Authority or for younger children.</p>
<p>Pleased to hear that no decision has been made yet and wants alternatives to be discussed. Concerned that option 3 not in paper but recommended by cabinet. Concerned that looking at closure and not at other options.</p>	<p>Statement</p>
<p>If school closes how long before pupils have to be moved on? Are you going to support them daily, gradually, as my grandson could not cope with going straight from here into a new placement.</p>	<p>The local authority has recognised that closing in December would not be in pupil's best interests and has extended the proposed date of closure to July 2020 to enable year 11 pupils to complete their formal education at Mounton House.</p> <p>For the small number of pupils affected by the proposed closure then Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.</p>
<p>How YR11 will manage and finish Yr 11 if Mounton House closes?</p>	
<p>States son is not statemented and has already been excluded from 2 schools, but attends a mechanic course every Wednesday at Mounton House and is doing really well.</p>	<p>The LA will work with , parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.</p> <p>Annual Review meetings will identify individual pupil needs and make</p>

	recommendations for alternative provision.
Is there a projection of figures of primary children with SEBD? As states it's going down.	Mounton House only provides education for a small number of Monmouthshire secondary aged boys on roll. In September 2019 Monmouthshire is financially responsible for 6 pupils.
What will happen with new referrals? Will they be stopped?	Annual Review meetings will identify individual pupil needs and make recommendations for alternative provision.
States son came to Mounton House because Llantarnum was knocked down (Torfaen Parent of Ethan Jones). Since he came here the improvement is unbelievable. He feels what's the point now, and made reference to being treated like a mushroom and kept in the dark	The local authority recognises the work of the current staff and noted the work undertaken following the last Estyn Inspection The LA will work with , parents and pupils affected by the proposed closure to ensure continuity of provision. This could be placement at another special school or a bespoke learning pathway.



monmouthshire
sir fynwy

Future Generations Evaluation (includes Equalities and Sustainability Impact Assessments)

<p>Name of the Officer Will McLean</p> <p>Phone no: 01633 644582 E-mail: willmclean@monmouthshire.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>CONSULTATION ON THE PROPOSAL TO CLOSE MOUNTON HOUSE SPECIAL SCHOOL</p>
<p>Name of Service Chief Officer for Children and Young People</p>	<p>Date Future Generations Evaluation 19th February 2019 Updated 2nd September 2019</p>

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NB. Key strategies and documents that may help you identify your contribution to the wellbeing goals and sustainable development principles include: Single Integrated Plan, Continuance Agreement, Improvement Plan, Local Development Plan, People Strategy, Asset Management Plan, Green Infrastructure SPG, Welsh Language Standards, etc

1. **Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The proposal is to close Mounton House Special School in Chepstow. This will impact on all staff and pupils at the school and possibly the local community. There will be loss of jobs, some may be volunteers, but there will also be compulsory</p>	<p>All staff and pupils have been fully consulted regarding these proposals. Where possible staff may be able to obtain alternative employment opportunities within Monmouthshire. If this is not the case all protection of employment policies will be</p>



Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	<p>redundancies. Pupils will be moved to other schools and some of these may be out of county to Monmouthshire.</p> <p>The cost per placement for Monmouthshire pupils in Mounon House is £131,397 comparable provisions charge between £45,000 - £65,000 per placement. This is expected to rise to £262,794 in September 2020. If the proposal is accepted the resources released will enable a greater number of pupils to be supported.</p> <p>The resources released will allow the Council to use this funding to support a greater number of pupils with a wider range of needs.</p>	<p>followed with all staff being provided with support to obtain alternative employment.</p> <p>All pupils and parents have been consulted to seek their views on the proposals. If agreed the council will need to engage with the pupils and parents and other placing authorities to identify a suitable alternative school.</p> <p>Through the consultation process Cabinet have agreed that the school will remain open until 31st August 2020 therefore allowing all pupils to continue at the school for another academic year, all year 11 pupils will not be affected by the proposals.</p>
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>		
<p>A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood</p>	<p>With this proposal both pupils and staff will face a period of uncertainty until the consultation is concluded. Both will be support throughout and kept informed of progress.</p>	<p>It is recognised that this will be an uncertain time for both pupils and staff, and their wider families. Support will be provided through the process, this will include support from employee services officers and any relevant officer from the Local Authority. All the consultation responses and the response from the Local Authority are detailed in the consultation report which will be considered by Cabinet on 18th September 2019.</p>



Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
		Through the consultation process Cabinet have agreed that the school will remain open until 31 st August 2020 therefore allowing all pupils to continue at the school for another academic year, all year 11 pupils will not be affected by the proposals.
<p>A Wales of cohesive communities Communities are attractive, viable, safe and well connected</p>	Most of the pupils do not live near to the school, and the majority do not live within Monmouthshire. The proposal may allow some of those pupils who live in Monmouthshire to return to their own communities and be educated within their local community should they wish and it is deemed as a suitable alternative school.	While the pupils do not live in the area in the majority of cases they do access the local community facilities while attending the school, however this is not frequent and therefore this will have a minimum impact. However some of the staff will use access local facilities during the working week. This will be a loss of an employer in Chepstow, however there are 33 employees at the school and therefore it is anticipated the impact on the local community will be minimal.
<p>A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>		
<p>A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	The school will promote Welsh heritage, culture and language, pupils that move to another Welsh school will continue to celebrate this. The school currently will have a number sporting / art opportunities for all pupils, should pupils wish to continue with these it will be considered as part of their alternative education.	<p>Where pupils need to transfer to a school that is not within Wales they will not be offered the same Welsh opportunities, by consulting with the pupils and parents their views will be heard and accommodated wherever possible.</p> <p>Through the consultation process Cabinet have agreed that the school will remain open until 31st August 2020 therefore allowing all pupils to continue</p>


Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
		at the school for another academic year, all year 11 pupils will not be affected by the proposals.
<p>Page 4</p> <p>A more equal Wales People can fulfil their potential no matter what their background or circumstances</p>	<p>The Local Authority has a duty to monitor schools to ensure pupils reach their full potential, by releasing resources to enable training of school staff this will allow more pupils throughout the county to be supported to ensure that they reach their full potential.</p>	<p>Pupils and parents have been consulted with regard to the proposal. If the proposal is agreed then a further stage of consultation with pupils and parents will be undertaken to ensure that pupils can be transferred to a suitable alternative provision. This provision will meet the needs of the pupil to allow them to meet their full potential. This maybe in another local provision or in some cases a specialist provision. Where pupils reside in other authorities, these authorities will be provided with sufficient notice to allow them to place their pupils in schools that can meet needs.</p> <p>Through the consultation process Cabinet have agreed that the school will remain open until 31st August 2020 therefore allowing all pupils to continue at the school for another academic year, all year 11 pupils will not be affected by the proposals.</p>

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?

<p>Sustainable Development Principle</p>	<p>Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.</p>	<p>Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?</p>
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>The cost to run Mounton House Special School are significant compared to the number of Monmouthshire pupils that need to access the provision. Resources need to be carefully balanced to ensure value for money. This proposal will allow resources to be directed to the where the need is but still meeting the needs of the pupils currently attending the school.</p>	<p>All staff affective will be consulted and supported through the process, the protection of employment policy will be followed.</p> <p>There will be clear consultation following all statutory guidance. The needs of pupils currently in our schools will be assessed as they progress through their education, adequate alternative provision to meet the needs will be sort where appropriate when required.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>Given that there are a number of pupils that attend the school who do not live in Monmouthshire. There will be extensive work with the other authorities, pupils and parents to ensure that the best future provision for all pupils affected.</p>	<p>There has been clear consultation with all partners, following all statutory guidance to ensure all parties are able to contribute. A pupil friendly consultation document was discussed with the pupils so that they clearly understood the proposals.</p> <p>If the proposal is agreed then a further stage of consultation with pupils and parents will be undertaken to ensure that pupils can be transferred to a suitable alternative provision. This provision will meet the needs of the pupil to allow them to meet their full potential. This maybe in another local provision or in some cases a specialist provision. Where pupils reside in other authorities, these authorities will be provided with sufficient notice to allow them to place their pupils in schools that can meet needs.</p>

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Involving those with an interest and seeking their views</p> <p>Involvement</p>	<p>The consultation period has allowed for all parties to contribute and to allow their views to be heard. These will feed into the final proposals, these consultees will include pupils, staff and parents along with a wide range of effected parties.</p> <p>The complete list of consultees are listed in the consultation response document.</p>	<p>Through the consultation process Cabinet have agreed that the school will remain open until 31st August 2020 therefore allowing all pupils to continue at the school for another academic year, all year 11 pupils will not be affected by the proposals.</p>
 <p>Putting resources into preventing problems occurring or getting worse</p> <p>Prevention</p>	<p>The current provision at the school is not meeting the needs of the majority of pupils within the Local Authority. The analysis of statement by need is detailed in the Cabinet paper 18th September 2019.</p> <p>The resources will be used to support a wider number of pupils with a wider range of need. Pupils attending the school will continue to have their needs met at an alternative suitable provision.</p> <p>Through the consultation process Cabinet have agreed that the school will remain open until 31st August 2020 therefore allowing all pupils to continue at the school for another academic year, all year 11 pupils will not be affected by the proposals.</p>	<p>The cost to run Mounton House Special School are significant compared to the number of Monmouthshire pupils that need to access the provision. Resources need to be carefully balanced to ensure value for money. This proposal will allow resources to be directed to the where the need is but still meeting the needs of the pupils currently attending the school.</p>

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>The development of provision to support a wider range of needs for Monmouthshire pupils will allow resources to be directed to develop a sustainable provision. Which will be flexible to meet the needs of pupils going forward. This should allow pupils to be supported where possible in their local communities should they wish and should this be considered as a suitable alternative education provision. Where pupils reside in other authorities, these authorities will be provided with sufficient notice to allow them to place their pupils in schools that can meet needs.</p>	<p>If the proposal is agreed then a further stage of consultation with pupils and parents will be undertaken to ensure that pupils can be transferred to a suitable alternative provision. This provision will meet the needs of the pupil to allow them to meet their full potential. This maybe in another local provision or in some cases a specialist provision. Where pupils reside in other authorities, these authorities will be provided with sufficient notice to allow them to place their pupils in schools that can meet needs.</p>

Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below. For more detailed information on the protected characteristics, the Equality Act 2010 and the Welsh Language Standards that apply to Monmouthshire Council please follow this link: <http://hub/corporatedocs/Equalities/Forms/AllItems.aspx> or contact Alan Burkitt on 01633 644010 or alanburkitt@monmouthshire.gov.uk

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
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Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	<p>At September 19 there are 16 pupils in Mounton House, of these none are residential. 8 either live in Monmouthshire or Monmouthshires responsibility. Monmouthshire is financially responsible for 6.</p> <p>The split of pupils are: Year 7 1 pupils Year 8 5 pupil Year 9 1 pupils Year 10 3 pupils Year 11 6 pupils</p> <p>The year 11 pupils will leave the school at the end of August 2020. The current forecast is that there will be 10 pupils in September 2020 and Monmouthshire would be financially responsible for 3. The number of pupils that reside in Monmouthshire or are Monmouthshire's responsibility to secure education is expected to reduce to 5.</p> <p>In some cases it may be possible for pupils to return to provisions that are closer to their local communities, this will allow pupils to be educated with their peers and community.</p> <p>The current cost per Monmouthshire pupil is £131,397. This is forecast to rise to £262,794 September 2020.</p> <p>The placement costs for 2019-20 are for day pupils £45,265 and for residential £77,938. Given that the full costs are not being</p>	<p>The school is for boys aged between 11 – 16. This proposal will see the school closed and provision for these pupils met elsewhere,.</p> <p>There are 33 staff in the school should the proposal go ahead there will be a need for compulsory redundancies.</p>	<p>All pupils and their families have been consulted with to ensure that their education can be continued in a suitable alternative provision which can meet their needs. All their views have been detailed in the consultation report. These have been used to form the conclusion.</p> <p>In the case of compulsory redundancies the protection of employment policy will be followed and staff will be supported through the process.</p> <p>Discussions have started around the ring fencing of any future suitable jobs, while no decision has been made these discussions will continue to achieve the best outcome.</p> <p>Not all the pupils in the school are residents of Monmouthshire County Council, where this is not the case, their home authorities will be provided with notice to consider alternative placements. Monmouthshire will work closely with these local authorities to ensure a smooth transition.</p> <p>Through the consultation process Cabinet have agreed that the school will remain open until 31st August 2020 therefore allowing all pupils to continue at the school for another academic year, all year 11 pupils will not be affected by the proposals.</p>

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
	<p>recovered there is a subsidy to other local authorities of £86,132 for day pupils.</p> <p>There are 33 staff in the school as part of the protection of employment policy of includes options for voluntary redundancies.</p>		

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Disability	<p>The Local Authority has a duty to monitor schools to ensure pupils reach their full potential, by releasing resources to enable training of school staff this will allow more pupils to be supported to ensure that they reach their full potential.</p> <p>In some cases it may be possible for pupils to return to provisions that are closer to their local communities, should they wish and should this be deemed as a suitable alternative education.</p> <p>Through the consultation process Cabinet have agreed that the school will remain open until 31st August 2020 therefore allowing all pupils to continue at the school for another academic year, all year 11 pupils will not be affected by the proposals.</p>	All the pupils attending the school will have a statement of special educational need. With this proposal the school will be closed, which will impact negatively for these pupils	<p>All pupils have been consulted with regarding the proposals and their views are detailed in the consultation report. These have been considered when making the recommendations for cabinet.</p> <p>If the proposal is agreed then a further stage of consultation with pupils and parents will be undertaken to ensure that pupils can be transferred to a suitable alternative provision. This provision will meet the needs of the pupil to allow them to meet their full potential. This maybe in another local provision or in some cases a specialist provision. Where pupils reside in other authorities, these authorities will be provided with sufficient notice to allow them to place their pupils in schools that can meet needs. Monmouthshire will work closely with these authorities to ensure all views are heard when seeking alternative schools.</p> <p>Through the consultation process Cabinet have agreed that the school will remain open until 31st August 2020 therefore allowing all pupils to continue at the school for another academic</p>

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
			year, all year 11 pupils will not be affected by the proposals.
Gender reassignment			
Marriage or civil partnership			
Pregnancy or maternity			
Race	Full consideration on any future placement will take into account this protected characteristic. This will be done in consultation with pupils and parents.		
Religion or Belief	We are not aware of any pupils attending the school with this protected characteristic, however when considering alternative provision full consideration will be given to this.		

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Sex	<p>Mounton House Special school has a designation for boys only aged between 11 – 16 with a diagnosis of social emotional behavioural difficulties. By closing the school this will release funding to be used by the Children and Young People directorate to support a greater number of pupils. The pupils attending the school will be supported in an alternative provision suitable to meet their needs.</p>		<p>All pupils have been consulted with regarding the proposals and their views are detailed in the consultation report. These have been considered when making the recommendations for cabinet.</p> <p>If the proposal is agreed then a further stage of consultation with pupils and parents will be undertaken to ensure that pupils can be transferred to a suitable alternative provision. This provision will meet the needs of the pupil to allow them to meet their full potential. This maybe in another local provision or in some cases a specialist provision. Where pupils reside in other authorities, these authorities will be provided with sufficient notice to allow them to place their pupils in schools that can meet needs. Monmouthshire will work closely with these authorities to ensure all views are heard when seeking alternative schools.</p> <p>Through the consultation process Cabinet have agreed that the school will remain open until 31st August 2020 therefore allowing all pupils to continue at the school for another academic</p>

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
			year, all year 11 pupils will not be affected by the proposals.
Sexual Orientation			
Welsh Language		The school promotes Welsh language with the closure of the school some pupils will be required to attend English Schools where this is not possible.	All pupils' views will be heard and where possible Monmouthshire Pupils will be accommodated within Monmouthshire / Welsh school therefore this will allow the Welsh language to still be taught.

Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities? For more information please see the guidance <http://hub/corporatedocs/Democratic%20Services/Safeguarding%20Guidance.docx> and for more on Monmouthshire's Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?

Safeguarding	The local authority will ensure that any new provision will be suitable to meet all the needs including safeguarding of the pupils.	The pupils attending the school have a statement of special educational need, this will need to be considered when deciding on the best alternative school.	If the proposal is agreed then a further stage of consultation with pupils and parents will be undertaken to ensure that pupils can be transferred to a suitable alternative provision. This provision will meet the needs of the pupil to allow them to meet their full potential. This maybe in another local provision or in some cases a specialist provision. Where pupils reside in other authorities, these authorities will be provided with sufficient notice to allow them to place their pupils in schools that can meet needs. Monmouthshire will work closely with these authorities to ensure all views are heard when seeking alternative schools.
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Corporate Parenting	The local authority will ensure that any new provision will be suitable to meet all the needs of all pupils placed there including any pupils for which they are the corporate parent.	For any looked after children attending the school, if the proposal is accepted there will be a need to seek an alternative school for them to continue their education.	If the proposal is agreed then a further stage of consultation with pupils and parents will be undertaken to ensure that pupils can be transferred to a suitable alternative provision. This provision will meet the needs of the pupil to allow them to meet their full potential. This maybe in another local provision or in some cases a specialist provision. Where pupils are the responsibility of other Local Authorities, these authorities will be provided with sufficient notice to allow them to place their pupils in schools that can meet needs. Monmouthshire will work closely with these authorities to ensure all views are heard when seeking alternative schools.
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5. What evidence and data has informed the development of your proposal?

At September 19 there are 16 pupils in Mounon House, of these none are residential. 8 either live in Monmouthshire or Monmouthshires responsibility. Monmouthshire is financially responsible for 6. The year 11 pupils will leave the school at the end of August 2020.

The current cost per Monmouthshire pupil is £131,397. As a result of not recovering the full costs other local authorities that are placing pupils in Mounon House are being subsidised by £86,132 for day placements.

The latest building survey shows that the building improvements that need to be made will be in excess of £6m.

All the above has led to the conclusion to propose to close Mounon House Special School from August 2020 and to use the resources released to support a wider number of pupils with a wide range of need. The full consultation report provides details of all responses and the response form the Local Authority. This will be considered by cabinet on the 18th September 2019.

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

The negative impact will be fully felt by the pupils / families and staff who either attend or are employed at Mounton House Special School.

Early notification and consultation in conjunction with looking at alternative placements needs to be done as a matter of course as a mitigation to the negative impact felt by the pupils/parents.

Also looking at potential voluntary redundancy by natural wastage and the possible “ring fencing” of vacancies for affected staff may offer a reasonable level of mitigation to some but it is recognised that this will be a difficult process.

The above needs to be balanced alongside the significant financial resources currently required to maintain the school and the even greater resource required to run the school from September 2020. It is anticipated that this financial resource can provide an alternative provision for Monmouthshire pupils if that resource is released and it will have the added benefit of CYP Directorate being able to support a larger number of pupils with a wider range of specific needs.

Having carefully considered all of the impacts (both negative and positive) it is felt that the needs of the pupils can be accommodated by seeking alternative provision either by enhancing the current provision or seeking placements at alternative schools that can meet the pupils needs.

ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible	Progress
Cabinet – recommending consultation on the closure of Mounton House.	6 th March 2019	Will McLean	Completed
Consultation with staff pupils and parents.	28th March 2019	Will McLean	Completed
Meetings with Unions and Human Resources.	28th March 2019	Will McLean	Completed
Discussions with placement counties.	On-going – starting when consultation period opens	ALN team with DMT	Completed

Cabinet – recommending consultation on the closure of Mounton House.	18 th September 2019	Will McLean	
Issue the consultation report responses	at the latest 28th October 2019	Will McLean	
Issue of statutory notice to close	at the latest 28th October 2019	Will McLean	
Date for closure	31 st August 2020	Will McLean	

8. **MONITORING:** The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	April 2021
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9. **VERSION CONTROL:** The Future Generations Evaluation should be used at the earliest stages of decision making, and then honed and refined throughout the decision making process. It is important to keep a record of this process so that we can demonstrate how we have considered and built in sustainable development wherever possible.

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration
1.0	Cabinet	6 th March 2019	Cabinet agreed to consult on the closure of Mounton House Special School. This report forms the conclusions drawn from the consultation and make recommendations to cabinet on next steps.
2.0	Cabinet	18 th September 2019	

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SUBJECT:	REVENUE MEDIUM TERM FINANCIAL PLAN and BUDGET PROCESS 2020/21 to 2023/24
MEETING:	CABINET
DATE:	
DIVISION/WARDS AFFECTED:	WHOLE AUTHORITY

1. PURPOSE:

- 1.1 To highlight the context within which the Medium Term Financial Plan (MTFP) will be developed for 2020/21 to 2023/24
- 1.2 To agree the assumptions to be used to update the MTFP, and provide an early indication of the level of budget savings to be found.
- 1.3 To agree the process and timetable for developing the MTFP and specific budget for 2020/21.

2. RECOMMENDATIONS:

- 2.1 That the budget assumptions outlined in paragraphs 3.6 to 3.13 in the report are agreed and updated during the budget process should better information become available.
- 2.2 That the budget process and timetable as outlined in paragraph 3.26 is adopted including member budget scrutiny and consultation conducted through all-member seminars, Member and Officer Working Groups, Community Engagement, Select, and Consultation meetings (for Business Rate purposes).

3. KEY ISSUES:

Background

- 3.1 Members will know that the budget and Medium Term Financial planning process has had a consistent theme over recent years. Since the financial crisis in 2008 the level of resources available to public services has been under pressure and over the last 4 years the Council has adopted savings and funding proposals totaling £23.2 million.
- 3.2 The process that has been adopted has sought to maintain a medium term view on the financial position and plan savings targets over a 4 year period. This is essential given the lead in time for making some of the changes required. In March Cabinet approved the budget for 2019/20 and acknowledged in the medium term financial plan, based on consistent modelling assumptions, an indicative gap in resourcing of circa £9.6m million to meet that gap over the following 3 years of the plan.
- 3.3 The 2018/19 year end outturn position reported to Cabinet in June and the subsequent 1st period 2019/20 monitoring report both provided an indication of the tightening of our financial position. For 2018/19 we came in just under budget, but without the normal buffer that we have consistently relied upon to replenish our reserves. The period 1

(month 2) forecast reported a significant over spend of £2.4m against services and where significant demand led pressures that had been managed in 2018/19 had continued into the current year and with greater significance. Whilst the Council is taking recovery action and bearing down on non-essential expenditure the pressures will clearly have a bearing on the budget for 2020/21 and over the medium term unless suitably mitigated through much needed additional funding from Welsh Government.

Funding context

- 3.4 The overall picture in public sector resourcing is a mixed one, with Health (NHS) concerns benefitting disproportionately from inflation busting government settlement decisions to the detriment of local authorities. Indications are that this period of financial restraint in public sector is set to continue for some time to come. Early indications from central government were that it was unlikely to find the necessary time to undertake their scheduled multi-year spending review this October, with the suggestion that in the interim settlements would overall need to be cash flat-lined with grant funding bearing the volatility in balancing the overall positions across the sector.
- 3.5 However, since the new Prime Minister has taken office and established his new Cabinet, the chancellor announced a one year spending review on 4th September by way of the Treasury carrying out an accelerated exercise and which provides Welsh Government with greater financial certainty they need to deliver their plans on public services next year. The Welsh block grant is expected to grow by £600m next year, a 2.3% real term increase. Approximately a quarter of the increase is related to increased pension costs for public sector employers in Wales. The big budgetary decision for Welsh Government will still revolve around how much to allocate to the NHS. Should the Welsh Government decide to match the increase in English NHS spending for 2020-21 of 3.1%, it would leave an increase of around 1.4% in real terms for all other public services. While this budget should probably allow all public services to avoid real terms cuts next year, increases are still likely to be modest in most areas, especially in the context of rising cost and demand pressures. Leaders and the WLGA will continue to provide evidence of the pressures facing local authorities and to call on Ministers to deliver on the promise that local government would be “first in the queue” for any additional funding. The multi-year Spending Review is now expected to be carried out in 2020. Whilst not affording Welsh Government or local authorities any level of funding certainty over the medium term at the very least it is hoped that the previously notified dates for publication of the Welsh Government budget and settlement for local government will be brought forward and take account of the pressures being faced by the sector.

Assumptions for developing the Medium Term Financial Plan (MTFP)

- 3.6 The Authority has developed a MTFP model which is reviewed annually. The financial model contains the base budgets of the Authority. This is updated each year in the light of a review of assumptions and known sensible changes to enable the gap between resources and expenditure to be highlighted.
- 3.7 The revenue financial planning assumptions in the roll over MTFP from 2019/20 MTFP were as follows,

	2020/21	2021/22	2022/23	2023/24
Expenditure:				
Pay award (non-teaching staff)	1.00%	1.00%	1.00%	1.00%
Pay award (teaching staff)	1.00%	1.00%	1.00%	1.00%
Superannuation rates	24.10%	25.10%	26.10%	27.10%

Non-pay inflation	0.00%	0.00%	0.00%	0.00%
ADM	0.00%	0.00%	0.00%	0.00%
Income and Efficiencies:				
Staff vacancy factor (non-schools)	(2.00)%	(2.00)%	(2.00)%	(2.00)%
Staff vacancy factor (schools)	0.00%	0.00%	0.00%	0.00%
Funding:				
Aggregate External Funding (AEF) RSG	1.80%	1.80%	1.80%	1.80%
Aggregate External Funding (AEF) NNDR	1.80%	1.80%	1.80%	1.80%
Aggregate External Funding (AEF) OAG	0.00%	0.00%	0.00%	0.00%
Council Tax (MCC) - Band D increase	(3.95)%	(3.95)%	(3.95)%	(3.95)%
Council Tax Collection Rate	99.00%	99.00%	99.00%	99.00%

Members may recall that the Council has afforded a 2 year 2% pay award deal which ends in March 2020, so the assumption for the next 4 years reverts to a standard 1% increase per annum in each of next 4 years, although it is recognized the actual agreement is still to be negotiated and may cause additional volatility through the process where additional savings prove necessary to afford.

Similarly Council tax increases for next year and onwards reflect historic rise assumptions of 3.95% per annum, as members' extraordinary annual uplifts more recently (4.95% and 5.95%) have only been 1 year considerations.

3.8 A first review of the assumptions contained in the MTFP has been undertaken and five prudent and proposed changes are advocated:

- Adopt an improved settlement assumption, from 1.8% steady decline to 1% decline, consistent with 2019-20 activity and the reported central government end to austerity measures. Reflection of other Councils and WLGA suggests widespread differences in assumptions being made, largely reflective of their individual historic awards. Gwent wise authorities tend to presume an average stand still zero % assumption overall, but given MCC tends to derive the worse settlement per capita, it's prudent/practical to assume minus 1% ahead of provisional settlement for the purposes of providing sufficient early savings provocations to directorates with a potential degree of flexibility to SLT/Cabinet subsequently, rather than introduce a more volatile savings process and need to introduce further savings during the process by mistakenly using to beneficial a financial planning assumption.
- Removal of the automatic staff vacancy factor (2%) applying to APT&C staff, and instead make the arrangement consistent with that of schools. The vacancy saving has historically been commonly regarded as an additional and increasing "hidden" cut by services which is difficult to deliver as staffing establishments get more economic and capacity issues potentially caused by staff vacancies instead result in a short term use of temporary staff or more of a back to back recruitment exercise. The revised arrangement is more transparent, and is anticipated to reduce the potential for inbuilt adverse variances in budget monitoring needing to be addressed through in year remedial savings. The consequence though is that this will obviously necessitate more explicit savings upfront to accommodate the change. It may be through the budget process that the Council will not be able to eradicate the full extent of the 2% vacancy saving in 1 year, instead as an illustration reducing it by 1% in each of next 2 years.

- Historically pressures tend to be volunteered by services to the next annual budget process through the process. In recent years provision of £2.5m has been made, for modelling purposes, for “unidentified pressures” and based on the level of pressures having to be accommodated as part of the budget process. Upon undertaking a review of such historic pressures, such provision has been increased in the MTFP by £2.5m per annum and which adds a flexibility to process and mitigates potential volatility in savings levels required by Directorates. As the budget and MTFP process evolves the provision for “unidentified pressures” will be reduced with actual pressures and in the event of any balance remaining ahead of budget proposals being finalized this will be released.
- Affording of Future schools band B aspiration by way of increased unsupported borrowing costs. The prediction of such revenue cost assumes traditional capital funding rather than MIM, and a current 65% intervention rate and an illustrative £43m capital expenditure results in £15.05m Council borrowing to be afforded over circa 50 years at predicted 3% would result in necessary annual revenue headroom of circa £580k needing to be added to MTFP model. The actual effect will be phased over next 4 years, as minimum revenue provision on the repayment of debt only occurs once the project is completed, and it is the intention to minimize the interest consequence of borrowing by using Welsh Government resourcing first.
- Additional Passenger transport pressures consequential to the April Cabinet report.

3.9 The effect of these changes on the deficit balance are anticipated to adjust illustrative shortfall requiring financing/savings to £5.4m in 2020-21, and culminating in a need to delivered a mixture of cost efficiencies and savings totaling £21m by 4 years hence.

	Rollover MTFP Cumulative Deficit Balance	£2.5m added to 2020-21 unidentified pressures, and thereafter in each year	Suspension of vacancy assumption increase (2%) from 2020-21	Effect of adjusting AEF funding from -1.8% to -1% in each of 4 years	£530k necessary pa to afford Future schools tranche B	Catchment review PTU consequence (April 19 Cabinet report)	Revised Cumulative Deficit Balance to manage	Year specific savings to find
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
2020-21	2,325	2,500	1,223	- 746	-	88	5,390	5,390
2021-22	5,466	5,000	1,244	- 1,471	10	150	10,399	5,009
2022-23	8,740	7,500	1,265	- 2,175	220	150	15,700	5,301
2023-24	11,959	10,000	1,288	- 2,860	530	150	21,067	5,367
								21,067

3.10 Please note the following items have not been revised in the medium term financial plan.

- Late in last year’s settlement process, Welsh Government agreed to affording the 2019 increase to teachers pension costs introduced by the 2016 central government budget. This came through in the form of an ad hoc grant, but that isn’t really a prudent or sustainable form of funding for recurrent expenditure of this nature. It is anticipated that WG will instead move this into the revenue support grant and core

funding for 2020/21. However should such funding remain a grant, there is a risk of future funding becoming less certain, although given the significance and previous commitment, the probability of Welsh Government explicitly retreating from this matter remains remote.

- Recent correspondence suggests national schools pay award has been agreed at a 2.75% increase. The extra 1.75% effect of such has not yet been modelled in MTFP, but neither has any additional funding been presumed, despite receiving grant funding to assist with teacher salary growth in 2018/19 and 2019/20. The extent of net liability will become clearer through the budget process.
- Presently the MTFP includes no presumption about Monlife aspirations and its affordability. It is anticipated such information will become available during the budget process and upon Council considering a report at its September meeting.
- Social care (both adult and children) affordability and sustainability remain an issue nationally, and a significant challenge apparent in month 2 2019/20 monitoring.
- It is expected that general fund reserve levels will be held at 4%-6% range.

3.11 It is anticipated that Monlife, the net liability for teacher pay award, and social care pressures will in the first instance need to form the majority call upon the extra £2.5m headroom per annum volunteered above.

3.12 So following the described revisions above, initially the “rollover” medium term financial plan utilizes the following base budget factors,

- 1% salary growth inflation
- 0% non-pay expenditure inflation
- 0% income inflation - to be considered by service managers through budget process
- 0% staff vacancy factor (to match 0% for schools)
- 1% annual Superannuation increase communicated by last actuarial assessment
- 1% decline in Welsh Government settlement
- 3.95% increase in Council tax receipts

3.13 The Council also utilizes specific grant funding in the provision of services. The level of these can be difficult to predict, and are not always even available/apparent by the start of forthcoming financial year, which will always tend to undermine accurate financial planning.

Additionally Welsh Government will also consider the transfer of specific grants into settlement funding. This has an advantage to them in being able to report decline in government funding being less than the reality. Settlement funding is traditionally unhypothecated and for local authority Council members to allocate, however there is an increasing practice for Welsh Government ministers to transfer resources into the settlement but also write to Councils asking them to honour the original grant intent, or suggest that they have earmarked funding within the settlement for a particular purpose, when instead Council members should be unfettered in their budget priorities.

Financial Planning Methodology

- 3.14 Pragmatically in terms of financial planning, the basic premise is to assume that existing grants will continue at levels as currently, unless notified explicitly otherwise. If grants are transferred into Revenue support grant then these will not be automatically hypothecated to the purpose for which the grant was given. If specific grants cease, it is expected that the activity will cease. Continuance of an activity following grant funding ceasing, would require the service providing a business case to assess each case on its merits.
- 3.15 The budget for 2020/21 will be constructed without drawing on council fund balances for ongoing expenditure, however, a prudent use of earmarked reserves will commonly form an essential part of the MTFP going forward. However, as per the revised reserves protocol agreed by Cabinet in July 2015, and unless for reasons of good financial management there will be a requirement for any draw on earmarked reserves to assist the budget process to be recovered by associated savings (i.e. on an invest to save basis).
- 3.16 Services are expected to manage their own pressures in the first instance, ensuring that any significant impact on the public, council policy or performance is explicitly identified and approved. Pressures that are introduced into the budget process will undergo a rigorous challenge process consistent with that for any savings proposals introduced.
- 3.17 The assumptions highlighted above are based on the best information available at the current time, however they could be subject to variation as new information comes to light and our forecasting techniques are refined.
- 3.18 There are a myriad of other potential pressures which have not been factored in due to the difficulty in estimating the impact. Included in this list would be any further changes in demand for services, legislation changes, the impact of Brexit, WG requirement to protect schools budgets, review of the structure of local government across Wales, changes to specific grant funding streams and welfare reform.
- 3.19 The budget monitoring report considered by Cabinet before the August recess introduces considerable financial challenge to achieve a balanced position by the end of financial year, and where not resolved potentially adds a volatility consideration to the 2020/21 process.

How we take this forward

- 3.20 Schools and frontline social care, have traditionally remained of primary importance to Members through the budget process, but even then resourcing is not sufficient for them to have been unaffected/protected in full. Savings and alternate ways of working within Adults Social Care has provided a benefit both in addressing budget gap previously but also importantly in addressing cost avoidance caused by an increasingly elderly demographic. Similarly schools had during the 2016/17 and 2017/18 process experienced a cash flat line budget rather than cuts/savings environment experienced by other Council services, this had the effect that schools have had to afford their own salary growth and teaching and learning award decisions. However, in the last two financial years schools have seen growth in their budgets and in affording them full funding of pay and pension increases. Whilst the general effect of such hasn't resulted in reduced budgets this has still resulted in a larger call on their school reserves.

- 3.21 In terms of how we take the budget process forward this year, it is important to understand the scale of the challenge being faced. The Council's net budget is around the £162 million level, however part of this budget is 'fixed', such as the precepts for other organisations including the Police, Fire Authorities, costs of servicing debt, payments to those in receipt of Council Tax Reduction support, the cost of levies etc. Therefore the influenceable part of the budget is much more like £134 million. A pressure of £21 million over the next 4 years year illustratively would mean:
- Reductions of around 15.5% if spread across all services
 - Reductions of around 23.5% if full protection is applied to school budgets
 - Reductions of around 48.8% if full protection is applied to schools and Social services budgets
- 3.22 Given the scale of the financial challenges faced Cabinet and Council will need to pay particular regard to the affordability considerations of future decisions. The scale of this challenge in terms of the capacity of the organisation to deliver and the difficult choices that may have to be made are also important considerations.
- 3.23 Services will need to consider year on year budget reductions, alongside the need to deliver remedial savings in 2019/20 to address the current predicted over spend against services reported for period 1.
- 3.24 The traditional and very successful approach of relying primarily on service managers volunteering savings is having a diminishing contribution.
- 3.25 The process of delivering necessary savings is an increasing challenging one, but experience suggests the need to provide services with a target challenge to meet in the first instance to stimulate thought and consider practical consequences, otherwise, and not unreasonably, experience suggests managers presume that others will be finding the significance of savings. To that end Cabinet are encouraged to set indicative targets and senior officers will working continue to work closely with Cabinet to ensure that budget proposals being developed are palatable, achievable and well considered, and are aligned with the aims and aspirations of the Corporate Plan.

Process

- 3.26 There is a both a requirement and a pressing need to manage this issue, given the scale of the funding gap which is potentially emerging in addition to the in-year forecast overspend position being managed. It is clear in modelling the extent of savings into the medium term that members may value an early understanding that the existing traditional operating models operating within the Council would need to be refined so that they operate with circa £21m less funding or be contracted by circa 16%. Setting a sustainable path for the Council into the future with a much reduced and further reducing resource base will need to be identified. This is not going to be an easy task and will involve difficult decisions that allows Cabinet to continue to deliver the aims and aspirations set out in the Corporate Plan whilst ensuring that services can sustain themselves into the future. The work required needs to involve Members and the community as early in the process as possible. It is therefore suggested that the process for developing proposals for the MTFP run in parallel to budget proposals for 2020/21, and would follow the steps outlined below:
- The initial catalyst for savings development will result from indicative savings targets being set by Cabinet
 - The process for developing ideas into active projects (through structured steps, including an early assessment of wellbeing and future generation and equality

impacts) will take place over the coming months. Where necessary this will involve necessary up front engagement with key stakeholders ahead of for consultation.

- Whilst proposals for next year are key deliverables in a shorter timescale, a longer term horizon is also advocated, as savings can often be dismissed where they can't be practically delivered by next budget period.
- The Council should also take advantage of any tangible proposals that have been or are being explored outside of the usual annual budget setting process.
- Building upon a review of the success of the 2019/20 budget process, it is acknowledged that far more emphasis was placed upon managers to describe savings intentions, whilst pressures were more readily acknowledged and added to the deficit to resolve, hence the use of "unidentified pressures" to mitigate where possible a volatility in savings target level required. A refinement to this year's process will require equal rigour and process to be applied before any new pressure is added to MTFP, as it is anticipated it may in fact be easier to avoid or mitigate a pressure than it is to find an equivalent saving.
- The ideas that are sufficiently developed during this process will be captured for contributing to the MTFP gap and the profile of savings estimated. Specific proposals for the 2020/21 budget will be captured and presented to Cabinet in December. The underlying MTFP model will also be updated to include new information as it becomes available, specifically information from Welsh Government on the settlement. In this respect the provisional settlement is expected on 10th December though this date will undoubtedly be reconsidered by Welsh Government in light of recent Treasury announcements.
- Formal consultation on the budget proposals will then take place through the normal Select committee cycle over December and January cycle, including one overall scrutiny meeting to consider the budget proposals as a whole.
- Final proposals will be presented to Cabinet in mid February after consideration of consultation feedback. The budget will then go to Council at the end of February to meet the statutory requirement to set a Council Tax for the following year. This presents a unique challenge this year, as Welsh Government has initially notified Welsh Local Government Association of their intent to only release final settlement information after this date. As stated that may change, but where necessary may involve the final budget proposals containing potential options to mitigate the potential for any adverse final settlement revision.

4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):

- 4.1 There are no significant impacts identified at this stage. As part of the budget process, individual budget proposals will be impact assessed early and as they are developed. If the impacts identified on individual proposals are significant then a full impact assessment will be required and this may affect the timescales for the introduction of any such proposal.
- 4.2 There is an intention to enhance the impact assessment process going forward with profiles of typical Monmouthshire residents being used to better anticipate the compounded effect of multiple proposals.

5. OPTIONS APPRAISAL

- 5.1 This report looks to provide an overview of the process for the budget setting and MTFP process. When budget proposals are developed and brought forward for consultation an option appraisal will be completed for each substantive saving and pressure.

6. EVALUATION CRITERIA

- 6.1 Whilst the nature of this report does not require any evaluation, the annual budget process is reviewed on an ongoing basis and based on feedback received from the public, members and officers. Cabinet and the Strategic Leadership Team review the process and feedback and recommendations for improvement.
- 6.2 The changes incorporated as a result of this year's approach are referenced throughout the report and significantly include the updating of the budget modelling assumptions and the approach being taken to develop savings proposals over the medium term.

7. REASONS:

- 4.1 To ensure that short and medium term budgets are constructed to maximize available resources in favour of the Council's priorities and based on the best available knowledge of local and national funding and expenditure pressures.
- 4.2 To provide the opportunity for full and informed engagement, consultation on and scrutiny of budget proposals and processes.

8. RESOURCE IMPLICATIONS:

- 8.1 This report aims to ensure that the medium term outlook is assessed and the financial implications modelled and assessed for financial planning purposes. Based on the revised assumptions now applied the report illustrates a budget shortfall of £5.39m for 2020/21 and £21.07m over the four years of the medium term financial planning period.
- 8.2 As described above the budget process will see budget proposals developed and brought forward to Cabinet for consideration and ahead of release on consultation and to ensure that feedback is sought and appropriately reflected in final budget proposals considered by Cabinet next February. Council tax and the final budget proposals will be approved by Council next March.

9. CONSULTEES:

Strategic Leadership Team
All Cabinet Members

10. BACKGROUND PAPERS:

Nil

11. AUTHOR:

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SUBJECT: VAT Management Arrangements

MEETING: CABINET

DATE: 19th September 2019

DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

- 1.1 To determine the impact that any planned investment at the authority's leisure facilities will have when combined with the decision for the Council to adopt the Ealing VAT ruling on the overall right to recover VAT on all Council costs.
- 1.2 This review models the potential level currently estimated and advised of VAT likely to be incurred on the proposed leisure redevelopments in the context of other known or budgeted VAT spending to support the delivery of current service plans across the Council.

2. RECOMMENDATIONS:

- 2.1 To submit retrospective claims in respect of the Ealing VAT ruling.
- 2.2 That the Council's processes and systems are amended to the allow Ealing Ruling to be adopted from the 1st of November 2019.
- 2.3 That an appraisal of outsourcing the Caldicot leisure investment to a third party be undertaken.
- 2.4 To continue to closely monitor VAT costs, especially costs spent in VAT exempt areas, and where necessary to identify and advise on options using a "look forward" approach and that would mitigate any future likelihood of losses of irrecoverable VAT that might arise through the breach of the Council's partial exemption calculation and 5% threshold.

3. KEY ISSUES:

- 3.1 **Ealing Ruling** - Following the decision of the Court of Justice for the European Union (CJEU) in London Borough of Ealing, HMRC accepts that certain supplies of sporting services made by local authorities can be treated as exempt from VAT. The sporting exemption only covers supplies made to individuals participating in a sporting activity.
- 3.2 This gives the opportunity for the authority to submit retrospective claims for reimbursement of significant historical VAT overpayments – the VAT that it has already passed across on its leisure services income.

- 3.3 In addition the ECJ ruling opens the potential for a council to increase income streams by 20% on their net position for sporting services currently being charged with standard rated VAT covered by the exemption. Effectively the pricing structure remains the same to the service user but the value that would have been treated as VAT payable to HMRC is no longer passed over to the tax authority.
- 3.4 In April 2019 when Council agreed at its meeting not to progress with externalising tourism, culture, leisure and youth services but to retain services in-house it also agreed to adopt the Ealing ruling and treat VAT on sporting facilities as exempt.
- 3.5 The key concern for the council is that to safeguard our continuing ability to recover all the VAT we incur on our costs we need to ensure that the level of Input Tax we incur in relation to our VAT exempt supplies remains under a figure of 5% of ALL the Input Tax we incur in the year, the calculation the authority undertakes to support this is called the “de minimis” level and the parameters are set by HMRC.
- 3.6 If we exceed the 5% Input VAT figure, we would potentially lose all that value in VAT recovery not just the VAT value over the 5% figure.
- 3.7 The most damaging effect will therefore be present where, having adopted the Ealing ruling to treat the leisure income as VAT Exempt, capital investment at these sports centres is then undertaken. For example, capital spend of £5 million net of VAT at a centre where 75% of income generated is VAT Exempt, will contribute £750k of Exempt VAT costs to add to the calculation an addition of approx. 5.5 % points.
- 3.8 To safeguard the authority’s vat recovery position a number of scenarios were modelled in respect of the Partial Exemption calculations going forward to identify potential breaches of the 5% level and how they could be overcome. These models covered the period 2012-13 to 23-24 inclusive.

4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):

- 4.1 This report considers the Council’s future VAT management arrangements. No equality and future generations evaluation is required as there are no implications that would arise directly from this report and the recommendations contained therein.

5. OPTIONS APPRAISAL

- 5.1 Due to the authority’ position of adopting Ealing retrospectively and submitting the claims which would result in triggering breaches of the 5% VAT limit, an adjustment to the model needed to be identified to identify options which could offset these breaches.
- 5.2 It was decided to appraise the effect of outsourcing the build of the major potential leisure investments at Abergavenny and Caldicot in tandem or in isolation to a third party.
- 5.3 **Outsourcing the Abergavenny and Caldicot Investment – Adopting Ealing and submitting retrospective claims.** This option did resolve the early partial exemption

breaches but by committing to the outsourcing of both schemes this would put significant pressure on the partial exemption calculation for the next 25 years.

This approach left little contingency in terms of headroom for unforeseen events that could impact adversely on the partial exemption calculation. Under this model there is still a breach of the 5% limit in 20-21 and 23-24.

5.4 Outsourcing the Abergavenny Investment in isolation – Adopting Ealing and submitting retrospective claims

The approach produced positive results from a partial exemption perspective with a small breach in 20-21 due to the Caldicot build which could not be managed by the seven-year average but would likely to be overcome by robust VAT management of the capital programme.

The negatives were the headroom for future partial exemption breaches due to the repayments being based on a 25-year term.

5.5 Outsourcing the Caldicot Investment in isolation – Adopting Ealing and submitting retrospective claims.

This approach also produced positive results from a partial exemption perspective with a small breach in 21-22 due to the Abergavenny build which could not be managed by the seven year average but would likely to be able to overcome by robust VAT management of the capital programme.

It also provided a greater contingency in terms of headroom for future partial exemption breaches in comparison to the other outsourcing models.

It is recommended that this option is pursued and that an appraisal of outsourcing the Caldicot leisure investment to a third party be undertaken in furtherance of the decision made by Cabinet in July 2019 to commission a feasibility study for refurbish of the site.

6. EVALUATION CRITERIA

- 6.1 This report considers the Council's future VAT management arrangements. A key recommendation from this report is for the Council to continue to closely monitor VAT costs and for the reasons outlined in the report.
- 6.2 Evaluation will there consist of more robust VAT management arrangements than previously and to ensure that action is taken to mitigate any future likelihood of losses of irrecoverable VAT that might arise through the breach of the Council's partial exemption calculation and 5% threshold.
- 6.3 Whilst the partial exemption calculation is formally undertaken on an annual basis there will be an ongoing need to monitor costs spent in VAT exempt areas, notably capital investment, as well as the capital programme as a whole.

7. REASONS:

- 7.1 To provide clarification and seek approval from Cabinet to proceed with its VAT management arrangements in the way described in the report and upon adopting the Ealing ruling earlier in the year.
- 7.2 To ensure that any future risk of losses of irrecoverable VAT that might arise through the breach of the Council's partial exemption calculation and 5% threshold is mitigated.
- 7.3 Based on potential investments in Caldicot and Abergavenny leisure sites, being considered as part of a MonLife report to Council on 19th September, to advise Cabinet on the preferred route of undertaking an appraisal to outsource the Caldicot leisure investment to a third party. This approach would produce the optimum outcome for the Council's partial exemption and require an ongoing need for robust VAT management of the capital programme.

8. RESOURCE IMPLICATIONS:

- 8.1 Submitting retrospective claims in respect of the Ealing ruling to HMRC, and if successful, could lead to a significant reimbursement of historical VAT overpayments of up to £2.2m.
- 8.2 Adopting the Ealing ruling also allows for Council to increase income streams by 20% on their net position for sporting services currently being charged with standard rated VAT. This will create circa £270k that can be reinvested back into services and that are necessary to support delivery of the Monlife business plan going forward.
- 8.3 As the report outlines there will be a need to maintain robust VAT management arrangements going forward and to ensure that any likelihood of losses of irrecoverable VAT that might arise through the breach of the Council's partial exemption calculation and 5% threshold are suitably mitigated. Mitigating options include:
 - a) Flattening the level of VAT spikes in capital spend in-house by using third parties to develop the assets which would be leased into the council to run.
 - b) Scheduling in-house delivery of leisure capital projects over a longer time period to reduce the seven-year average impact.
 - c) Reviewing the TOGC (Transfer of a Going Concern) options to identify if investment purchases need to follow this path.
 - d) Robust VAT management specifically in respect of the capital programme and potential exempt income generating schemes. This includes early intervention and appraisal of the VAT implications of future schemes before commitment to those schemes can be given.
- 8.4 The Council has a good working relationship with HMRC and is consistent in its approach to take all reasonable care in ensuring it achieves a compliant VAT management position which would not risk challenge by HMRC.

8.5 Further information to support the modelling and sensitivity analysis is contained in appendix 1.

9. CONSULTEES:

Senior Leadership Team
Cabinet

10. BACKGROUND PAPERS:

Appendix 1 – Future impact of leisure investment and adoption of Ealing ruling

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FUTURE IMPACT OF LEISURE INVESTMENT AND ADOPTION OF THE EALING RULING ON THE AUTHORITY'S PARTIAL EXEMPTION CALCULATION.

PURPOSE

The report's remit is to determine the impact planned investment at the authority's leisure facilities will have when combined with the decision for the Council to adopt the Ealing VAT ruling on the overall right to recover VAT on all Council costs. This review models the potential level – currently advised – of VAT likely to be incurred on the proposed leisure redevelopments in the context of other known or budgeted VAT spending to support the delivery of current service plans across the Council.

The mechanism used to model the levels of VAT on costs which relate to potential areas of VAT Exempt income areas is the existing partial exemption method as set out in agreement with HMRC.

BACKGROUND

All councils have areas of their activity which generate income which is treated as VAT Exempt. These income areas could be from the rent of offices or market pitches, burial & cremation income areas or tenancies on farms. Each council has to identify the VAT on its costs which are seen to support these Exempt income areas and then measure that level of Exempt VAT costs against a set measure to establish that these VAT costs can still be recovered from HMRC.

To date there has yet to be an instance where a council has been blocked from being allowed to recover these amounts of Exempt VAT costs as the set measure has not been breached.

What has changed?

Ealing Ruling - Following the decision of the Court of Justice for the European Union (CJEU) in London Borough of Ealing, HMRC accepts that certain supplies of sporting services made by local authorities can be treated as exempt from VAT. The sporting exemption only covers supplies made to individuals participating in a sporting activity.

Advantages of Ealing – Any council which chooses to adopt this ECJ ruling can effectively enable the leisure services pricing structure to remain the same to the service user but the value within that charge that would have been treated as VAT payable to HMRC is no longer passed over to the tax authority.

HMRC accept that it is a decision for each council as to whether they choose to apply the VAT Exemption treatment available as a result of this case. In income terms it would put the council in the same position as charitable trusts that have been established to run leisure services.

In addition to this increase in retained income from leisure services going forward the ruling also gives the opportunity for the authority to submit retrospective claims for reimbursement of significant historical VAT overpayments – the VAT that it has already passed across on its leisure services income.

Disadvantage of Ealing – The adoption of Ealing will have the potential to increase the amounts of VAT on costs that will be related to VAT Exempt income areas. As the VAT treatment of the income changes from Standard rated to VAT Exempt then the proportion of exempt income over total income will significantly increase and in most cases double. The modelling suggests that, at most centres, the exempt income percentage will increase from 35% to 75%.

In such cases, any input tax (expenditure VAT) incurred on costs that are directly and immediately linked to the generation of exempt income streams (i.e. the Sporting Income areas) will similarly increase. This level of Exempt VAT cost would rise even further with capital expenditure on the leisure asset in addition to normal revenue spend in that sector.

Why would an increase in the level of Exempt VAT costs be a concern to the Council?

The key concern for the council is that to safeguard our continuing ability to recover all the VAT we incur on our costs we need to ensure that the level of Input Tax we incur in relation to our VAT exempt supplies remains under a figure of 5% of ALL the Input Tax we incur in the year.

This 5% figure is the set VAT measure that is applied by HMRC – it is called the “de minimis” level.

If our Exempt VAT costs value in each year remains under 5% of all the VAT we incur on costs, we can still reclaim it from HMRC.

It is not just therefore the level of VAT exempt income that we generate that creates the issue but the level of Input VAT on costs which can be shown to support those VAT exempt income areas that creates the concern.

If we exceed the 5% Input VAT figure, we would potentially lose all that value in VAT recovery not just the VAT value over the 5% figure.

The most damaging effect would therefore be present where, having adopted the Ealing ruling to treat the leisure income as VAT Exempt, significant capital investment at these sports centres was then undertaken. For example; capital spend of £5 million net of VAT at a centre where 75% of income generated is VAT Exempt, will contribute 750k of Exempt VAT costs to add to the calculation an addition of approx. 5.5 % points.

Future planned capital programmes have been established from the capital plans and from discussions with related teams to inform this paper. These spending plans could create spikes in VAT costs within the VAT years which can be viewed in Appendix 1

What can councils do to help manage spikes in spending in relation to VAT Exempt income areas?

Seven Year Averaging Calculation

This calculation is allowed by HMRC to assist a Local Authority to manage breaches when they occur in a particular year respect of its partial exemption 5% calculation.

HMRC will allow that IF, despite detailed analysis of the amount of expenditure that you put to exempt use, the VAT you have identified still exceeds the 'insignificant' limit (5%) during the financial year, you may reconsider the position over a longer period of 7 years. Effectively flattening out the "spike" in the VAT Exempt costs value over this longer period.

At this moment in time HMRC do apply strict conditions when using the 7-year averaging.

- You must keep details of the calculation with your VAT records.
- HMRC reserves the right to revisit the question of whether a breach is **occasional** and **insignificant** if it subsequently turns out that a local authority miscalculated its percentage in any given year. The same applies where there's evidence of manipulation of figures.
- Any 7 consecutive years may be used as long as no more than 2 forecast years are included.

What is the effect of choosing to apply the Ealing Ruling retrospectively?

As already noted, this potential change in the VAT treatment applied to leisure services income springs from a ruling obtained at the Court of Justice of the European Union by the London Borough of Ealing (Case C 633/15).

The decision, which has been accepted by HMRC is that the UK had incorrectly excluded local authorities from the exemption of charging VAT for the provision of sporting facilities. Local authorities had been excluded from the exemption to ensure that there was no distortion of competition. However, the court decided that any restriction on those grounds had to be applied to both public bodies as well as private non-profit-making bodies providing sporting facilities. It followed that the local authorities were entitled to claim direct effect and therefore to treat those supplies as exempt from VAT provided that they did so on a **consistent** basis.

The use of the phrase "consistent" is an important one to consider.

The ruling means that local authorities are entitled to recover any net over-declarations of VAT they have made as a result of having treated the supplies as taxable rather than exempt.

The net over-declarations are calculated **after** deducting from the over-declared output tax any input tax wrongly claimed in the prescribed accounting period (VAT return) on the assumption that the supplies in question were taxable and not exempt, unless that input tax is treated as insignificant. By “insignificant” this means that as long as the Exempt VAT costs were under the 5% de minimis level in that year or under the longer 7-year averaging calculation.

Should a council choose to apply the VAT change to their leisure income retrospectively then they may find that even when treating the income as now VAT exempt the level of VAT on costs that were linked to this exempt income would still remain under this 5% level. Therefore, the council would benefit from the refund of the overpaid VAT without having to repay any VAT on costs it had originally recovered.

Councils across the UK are able to access this option to change the treatment of leisure services income.

The “consistent” basis means that HMRC will expect any local authority which chooses to apply the Ealing ruling on a retrospective basis to benefit from the “windfall” of VAT overpaid MUST also continue to apply the VAT Exempt treatment on the leisure income on a going forward basis.

Protective appeals have already been submitted to HMRC by accountancy firm KMPG under instruction from the Council, in respect of the VAT amounts that would be due back to the Council from the retrospective application of the VAT Exempt treatment on affected leisure income with approximately nine months still to be submitted. The Council still needs to confirm with HMRC that they will be applying the change retrospectively in order for HMRC to consider the values included on the claims.

The estimated value of the above retrospective claims amount to potentially £2.2 million.

HMRC would undertake the due diligence in respect of the claims. Clearly the additional funding that this would create would be welcomed by the Council to support the Council’s current financial position and current and future challenges.

MODELLING METHODOLOGY

A number of scenarios were modelled in respect of the Partial Exemption calculations going forward to identify potential areas of breaches of the 5% level and whether these breaches could be resolved to ensure the Council did not risk HMRC blocking the right to recover all our VAT on costs of providing our services.

These options included reviewing seven-year averages, sensitivity analysis and using a third party to complete the build and lease back of leisure centres to the authority.

The basis of each model is outlined below. All versions cover the periods 2012-13 to 2023-24 which is the known extent of budgeted capital plans.

- 1. Adoption of Ealing from April 2019** – This assumes Ealing to be adopted from April 1st 2019 and not applied retrospectively which would result in non-submission of claims for a VAT “windfall”.
- 2. Non-Adoption of Ealing** - Sporting services remain being charged at standard rated VAT - in effect retain the status quo.
- 3. Adoption of Ealing to allow submission of retrospective claims** – Relevant Sporting income would be treated as VAT Exempt historically and therefore an over claim of VAT paid would be made. Future leisure income would also have to be treated as VAT Exempt.
- 4. Outsourcing any Caldicot Leisure Centre Investment in isolation** – Adopting Ealing and submitting retrospective claims.
- 5. Outsourcing any Abergavenny Leisure Centre Investment in isolation** – Adopting Ealing and submitting retrospective claims
- 6. Outsourcing any Abergavenny and Caldicot Leisure Centre Investment** – Adopting Ealing and submitting retrospective claims
- 7. Bringing forward any Abergavenny Leisure Centre investment to commence in 2020-21 in line with the Caldicot Leisure Centre Investment.**- Adopting Ealing and submitting retrospective claims

ANALYSIS OF INITIAL MODELLING SCENARIO'S

The initial modelling was completed on the three scenarios' below where comments on the impact of each approach have been included.

Adoption of Ealing from April 2019 – This assumes Ealing to be adopted from April 1st 2019 and not applied retrospectively which would result in non-submission of the claims referred to above.

The model is not favoured by the authority as the potential benefit from submitting retrospective claims will not come to fruition. For obvious reasons and current financial constraints the importance of taking the opportunity to secure additional income where possible cannot be ignored.

Non-Adoption of Ealing - Sporting services remain being charged at standard rated VAT - in effect retain the status quo.

The authority would give up the opportunity to submit retrospective claims and also the non-adoption of Ealing would result in the authority losing the potential to increase revenue by 20% on their net position for sporting

services which are currently being charged with standard rated VAT rather than treated as VAT exempt.

Adoption of Ealing to allow submission of retrospective claims –

Allows the benefits from the retrospective claims and exemption of the sporting services going forward to be obtained.

The risk that the Council has had to consider is whether this approach would expose the Council to losing the right to recover VAT on its costs in future years. Depending on planned spending levels coming to fruition it may arise that the partial exemption 5% limit could be breached in 2018-19, 2020-21 and 2021-22 with only the 2018-19 breach being able to be overcome by using the seven year average method.

All potential breaches are directly attributable to the leisure centre capital investments undertaken or proposed in these years.

2018-19 - Monmouth Centre and Pool
2020-21 – Caldicot Leisure Investment
2021-22 – Abergavenny Investment

After appraisal and discussion of the models by the project team, the decision was made to consider the adoption of the Ealing ruling retrospectively, submit retrospective claims and treat future leisure income as VAT Exempt. It would be essential to closely monitor VAT costs spent in these VAT exempt income areas and therefore as a matter of prudence the Council has undertaken a “look forward” approach at this current point.

A second stage of modelling was undertaken.

ANALYSIS SECOND STAGE OF MODELLING SCENARIO'S

Due to the authority's preferred position of adopting Ealing retrospectively and submitting the claims which could result in triggering breaches of the 5% VAT limit, an adjustment to the model was needed to identify options which may reduce the risk of breaches.

It was decided to appraise the effect of outsourcing the build of the major leisure investments at Abergavenny and Caldicot in tandem or in isolation.

Mechanics of Outsourcing the construction and provision of the Leisure Centres to Alliance Leisure

The spikes in the VAT costs being incurred by the Council are created by the fact that the Council is currently considering undertaking the construction of each centre themselves and therefore would incur the VAT on the build costs over a relatively short period of time – 18 months – 2 years in the case of each build. If the two

planned builds were to overlap then clearly this could increase the VAT spike for that year.

Therefore, from the VAT perspective, as the Council has the desire to operate the leisure services in-house and be accountable for the income streams this service will generate, we looked at mechanisms that would flatten those VAT costs spikes by spreading the costs over a longer period of time.

This could be achieved by contracting with an unconnected third party who would undertake to build the new centre and then lease that centre to the Council over a longer time period – 10/15/20 years.

The third party – in this instance we have used financial modelling on costs provided by a third party – would incur the VAT on the build costs and would be able to recover this VAT as they would be granting a lease to the Council on which they would charge VAT. The Council would then establish whether it would be able to recover this VAT as it would still relate to a VAT Exempt income area. The impact of a third party undertaking the new leisure builds and then leasing the assets to the Council are reflected below.

1. Outsourcing the Abergavenny and Caldicot Investment – Adopting Ealing and submitting retrospective claims

This option did resolve the potential of early partial exemption breaches but by committing to the outsourcing of both schemes this would put significant pressure on the partial exemption calculation for the next 25 years.

This approach could leave little contingency in terms of headroom for unforeseen events that could impact adversely on the partial exemption calculation. Under this model there is still a breach of the 5% limit in 20-21 and 23-24.

Any number of variable factors may have come into play by that date – an increase in the 5% limit for example – but these are unknown factors at this point.

This option would also severely restrict the flexibility of the capital programme in terms of investing monies in other exempt income generating projects e.g. County Farms, other Leisure Centres.

Abergavenny/Caldicot Outsource

Year	Type of Calculation		Exempt Input Tax Potential Loss to the authority	P/E Percentage 5% Ceiling	Best possible Seven Year Average
2019-20	Forecast		397,534.19	4.21%	

2020-21	Forecast		406,567.66	4.08%	
2021-22	Forecast		699,617.26	5.04%	4.45%
2022-23	Forecast		558,596.06	4.70%	
2023-24	Forecast		558,757.34	5.02%	4.91%

2. **Bringing forward the Abergavenny investment to commence in 2020-21 in line with the Caldicot Investment.** - Adopting Ealing and submitting retrospective claims.

The option was appraised using the both the outsourcing scenarios and both schemes remaining in house. The movement of the Abergavenny build forward by a year had little impact on the overall partial exemption position of the authority.

There were reservations on the mechanics of undertaking two major leisure investments in tandem and the impact this would have on Leisure Services across the authority.

3. **Outsourcing the Abergavenny Investment in isolation** – Adopting Ealing and submitting retrospective claims.

The approach produced positive results from a partial exemption perspective with a small breach in 20-21 due to the Caldicot build which if spending levels remain as budgeted, might not be managed by the seven-year average but would likely to be overcome by robust VAT management of the capital programme.

The negatives were the headroom for future partial exemption breaches due to the repayments being based on a 25-year term.

Year	Type of Calculation		Exempt Input Tax Potential Loss to the authority	P/E Percentage 5% Ceiling	Best possible Seven Year Average
2019-20	Forecast		397,534.19	4.21%	
2020-21	Forecast		1,181,702.38	10.74%	5.21%
2021-22	Forecast		645,495.53	4.68%	
2022-23	Forecast		504,474.33	4.27%	
2023-24	Forecast		504,635.61	4.57%	

4. Outsourcing the Caldicot Investment in isolation – Adopting Ealing and submitting retrospective claims.

This approach also produced positive results from a partial exemption perspective with a small breach in 21-22 due to the Abergavenny build which could not be managed by the seven year average but would likely to be able to overcome by robust VAT management of the capital programme.

It also provided a greater contingency in terms of headroom for future partial exemption breaches in comparison to the other outsourcing models.

Year	Type of Calculation	Exempt Input Tax	P/E	Best possible
		Potential Loss to the authority	Percentage 5% Ceiling	Seven Year Average
2019-20	Forecast	397,534.19	4.48%	
2020-21	Forecast	406,567.66	4.08%	
2021-22	Forecast	1,544,439.26	10.29%	5.24%
2022-23	Forecast	487,294.25	4.14%	
2023-24	Forecast	487,455.53	4.42%	

SENSITIVITY ANALYSIS CALDICOT OUTSOURCE MODEL

Further analysis was undertaken in respect of the Caldicot model in terms of projecting the increased level of exempt input tax which would cause a partial exemption breach to occur.

The results identified there was headroom for increased level of exempt input tax but this contingency would be significantly impact upon by which service incurred the additional expenditure e.g 250 k additional spend in a leisure centre environment would attribute 36k to the partial exemption calculation approx. 0.3% points the same spend at a school would only allocate £500

The reduction of capital net spends was also modelled to identify when a breach would occur. As with the above headroom was present for capital expenditure to decrease and directly impact adversely on the level input tax the authority recovers as a whole which is the denominator for the partial exemption calculation.

OTHER IMPACT FACTORS /ASSUMPTIONS

The Council has had to consider the longer term impact of the adoption of the Ealing ruling as well as the current budgeted levels for capital spending on leisure sites

going forward. There are a range of factors that will influence the reality in each year of the levels in VAT exempt costs that will be identified. These factors are considered below.

HMRC Negotiation.

The claims will be submitted to HMRC by the Council's advisers, KPMG once the decision is made to retrospectively apply the Ealing ruling. The authority's VAT accountant will need confirmation from the authority's section 151 officer once a decision has been made on how the authority wishes to proceed.

The claims will be subjected to compliance checks by HMRC officers. Timelines for this review of a claim can vary and will depend on issues raised. Six months from submission date to payment would be a fair estimate.

Capital Programme Calculations – Impact factors/assumptions

- The accuracy of the capital programme in terms of costs and profiling are key when forecasting the potential impact on the partial exemption calculations to highlight potential years when a breach of the 5% limit will arise.

At present the key projects are the leisure investments at Caldicot and Abergavenny where increased costs would have a negative impact and vice versa for decreased costs.

Year 20-21 – Caldicot Investment Potential Outsourcing

Year 21-22 – Abergavenny Investment £6.5.million

- Projects where significant VAT costs would be incurred but these are in areas where there is little or no VAT exempt income generation - such as the Abergavenny Band B School development would have a significant positive impact on the partial exemption calculation. These type of projects would increase the total value of input tax over which the Exempt VAT cost value is placed thus reducing the Exempt Input Tax % in that period.

Year 20-21 to 23-24 – Approx. £42 million investment Abergavenny Band B

It has been assumed the Asset Investment fund will continue to purchase property letting businesses under the VAT arrangements known as "Transfers of a Going Concern". Meeting the conditions of a "going concern" from the VAT perspective can mean that no VAT is charged on the acquisition of those property letting businesses.

It would be a consideration in future to not use this "going concern" VAT route to purchase business ventures where possible if this would boost the denominator VAT value in the partial exemption calculation. This would assist with the 5% VAT calculation.

- The capital programme for 23-24 is estimated to incur a minimum £20 million net spend. This assumes other grant funded or authority funded capital

schemes will be present in addition to the core capital programme currently modelled over the medium term.

Ealing Adoption.

- The 01/04/2019 date has been used for the modelling. It is now estimated Ealing will be implemented from 01/11/2019 with previous periods subject to retrospective claims

Unplanned Aspects.

- Whilst actual capital expenditure could fall below those modelled in these calculations there is also the risk of overspend.
- Other areas could generate exempt Input Tax on an unplanned basis as seen with the major works incurred on Small Holdings insurance claim recently.

Summary of Mitigating options if the Council chooses to apply Ealing on a Going Forward Basis:

- Flatten the level of VAT spikes in capital spend in-house by using third parties to develop the assets which would be leased into the council to run.
- Schedule in-house delivery of leisure capital projects over a longer time period to reduce the seven-year average impact
- Review the TOGC options to identify if investment purchases need to follow this path, this would allow the authority to boost Input VAT into the partial exemption calculation but application of this is unknown at present.
- Robust VAT management specifically in respect of the capital programme and potential exempt income generating schemes. Including early intervention and appraisal of the VAT implications of future schemes before commitment to those schemes can be given.

None of these mitigating options represent anything more than prudent planning considerations to safe guard the overall ability of the Council to recover VAT on its costs which in the absence of that VAT recover would create an additional cost burden.

The Council has a good working relationship with HMRC and is consistent in its approach to take all reasonable care in ensuring it achieves a complaint VAT management position which would not risk challenge by HMRC.

