

MEETING:	SCHOOLS FORUM
DATE:	31 JANUARY 2011
TITLE OF REPORT:	ALTERNATIVE MODELS TO MEET THE REQUIREMENT FOR 25 HOURS PRU PROVISION
OFFICER:	HEAD OF ADDITIONAL NEEDS

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

To examine a range of options from which a recommendation to fund the requirement to provide pupils at Pupil Referral Units (PRUs) with the statutory 25 hours of provision.

Recommendation

THAT Schools Forum:

- (a) **endorses the proposal to continue to fund the PRUs for the current number of places through DSG until August 2011. This will require the continuation of the additional funding provided since September 2010 for both the behaviour and medical PRU population in order to fulfil the requirement to provide full-time educational provision.**
- (b) **places the PRU funding on the agenda for July 2011 to re-visit the item once the detail of the Government White Paper in relation to PRU provision is known.**

Key Points Summary

- This paper is linked to the paper presented to the Schools Forum in July 2010 where LA Officers were asked to consider alternative models to fund the requirement to fund the statutory 25 hours of provision for pupils placed in a PRU.
- The amount required to fund these additional hours for PRU pupils with behavioural, social and emotional difficulties and those with medical needs is calculated to be £186,000. This represents approximately 10% of the overall PRU budgets.
- Previous attempts to arrive at a consensus on how to fund this additional amount have proved difficult. A recent meeting of HASH rejected the idea of this additional portion of

the funding should be raised by charging those secondary schools seeking a PRU place for a pupil.

- The recent Government White Paper 'The Importance of Teaching' (DoE;2010) has the potential to change the context and background assumptions which have guided the previous PRU funding papers presented at Schools Forum. A key element of the White Paper is that schools will have a continued responsibility for the outcomes of any pupils that they exclude.

The following points from the July 2010 paper remain pertinent to the discussion.

- There has been a requirement to offer pupils at Pupil Referral Units (PRUs) 25 hours of educational provision with effect from 1st September 2010 (Education and Inspections Act 2006). This applies to students admitted as the result of an exclusion or those unable to attend school on medical grounds (Children, Schools and Families Act 2010). This has been re-affirmed by the White Paper.
- In order to fund the additional hours, additional resource needs to be identified. The alternative would be to reduce the number of PRU places as shown in Appendix A of the July Schools Forum paper. However, demand for the services of the PRUs has remained quite consistent over the past 3 years and there is a duty placed on LAs to ensure that there are sufficient places.

Alternative Options

1. If recommendation (a) on the first page of this report is rejected, it will be necessary to agree an alternative option immediately in order to provide the additional amount of £186,000 from the start of the financial year 2010/11. The following are possible options:
 - To reduce the number of PRU places in the expectation that schools would be able to offer the additional provision internally or would be able to broker the provision from alternative providers on an individual school basis. There would be a risk that the places would be filled early in the academic year and subsequent exclusions would need to be found much more expensive provision at short notice.
2. The following two alternative options are based on the idea of a proportionate contribution from all schools regardless of usage:
 - To fund the additional amount from a DSG 'top slice' on a permanent basis in line with the rest of the funding for PRUs.
 - To fund the PRU base budget as a DSG 'top slice' and fund the additional amount on a separate per pupil contribution (or other formula) from all secondary schools.
3. There are a further series of options predicated on the view that it is appropriate to seek support for the additional resource from the heaviest users. This would give a balance between support for the PRUs from all schools through DSG and a 'top up' in proportion to actual use.
4. To fund the additional amount required as described in the July 2010 paper. This

would require a single one-off payment of £8,700 at the point of entry to the PRU and £5,000 for medical short stay provision with proportional amounts for intervention places (depending on the duration of the intervention place).

5. To make a single one-off payment of £3,000 per PRU place and cover the remainder of the funding required (approximately £100,000) using 1. or 2. above.
6. To charge secondary schools £3,000 per PRU place (whether permanent or intervention place) each year. This would apply to all new entrants and would be proportionate to the number of days per week and the proportion of the academic year that the place is required.
7. A further alternative would be to commission the additional provision from one of the school-based intervention centres or other alternative provider using one of the funding options above.

Reasons for Recommendations

8. There remains a requirement to offer pupils at Pupil Referral Units (PRUs) 25 hours of provision with effect from 1st September 2010. This applies to students admitted to PRUs as the result of a permanent exclusion or on medical grounds.
9. The recent Government White Paper 'The Importance of Teaching', suggests that there will be fundamental changes to the way in which PRU provision is viewed. Given the far-reaching nature of the proposed changes, the reasons given for the options in the Schools Forum paper of July 2010 may no longer be valid. Until the detail of any resulting changes in legislation and policy are clearer, it would seem unhelpful to take a decision on the future funding of the PRUs.

Introduction and Background

10. The background information given in the July 2010 Schools Forum paper remains relevant. In particular, it should be noted that the request to investigate charging came from the Budget Working Group to Schools Forum in February 2010. It was suggested that the amount needed to provide the additional hours could be raised by charging individual schools a levy for PRU places,. This would prevent there being an additional burden on all schools through a DSG 'top slice'.
11. The July 2010 Schools forum paper recommended that Alternative Option 4 above should be adopted to provide the additional resource to provide the 25 hours of provision. This was withdrawn from the Forum at the suggestion of the Director of Children's Services as a result of the concern expressed by secondary school representatives sitting on the Forum. The DCS requested further investigation of how the additional funding might be found. The additional funding was temporarily found from the 2010/11 DSG underspend with the understanding that a paper would be brought back to this Schools Forum.
12. A further discussion paper was written and presented as a consultative exercise to a meeting of Herefordshire Association Secondary Heads (HASH) on 11th November 2010. This paper maintained the idea of charging schools requiring a PRU place as a

result of permanent exclusion or otherwise. In this proposal, the charges would be lower but would be paid for each year that a place was required rather than a single larger payment upon entry of the pupil to the PRU. This proposal is described as Alternative Option 6 above. This proposal was rejected by HASH who felt that there should not be a link between usage of the PRUs and charging. It was suggested by the group that either the additional amount should be part of the DSG 'top slice' or that there should be a contribution from all secondary schools to cover the additional amount.

13. The Government White Paper 'The Importance of Teaching' was published in late November 2010. This paper proposes radical changes to the PRU system as in the Key Considerations section of this paper.
14. Also in late November 2010, a new structure for the Children and Young People's Directorate of the LA was finalised. The Home and Hospital Teaching Team is in the process of being incorporated into one of the PRUs and will be regarded as medical PRU provision in the future.

Key Considerations

The following considerations given in the July 2010 Schools Forum paper remain relevant:

15. The number of permanent exclusions was reduced from 23 pupils in 2006/7 to 17 pupils in 2007/8 and has remained at 18 pupils since then. This shows a very consistent demand.
16. If the level of permanent exclusion remains at this level, £156,000 would be required to provide the 25 hours of education and to maintain the current number of places. The calculations for this were presented to the February 2010 Schools Forum (p. 51 of the papers). To this needs to be added £30,000 to provide full-time provision for those students with medical needs who are well enough to access 25 hours of provision.
17. The Government White Paper 'The Importance of Teaching' published in late November 2010 proposes the following changes to the PRU system:

'We will increase the autonomy, accountability and diversity of alternative provision. Autonomy within the state sector is linked with improving quality, but PRUs are not currently benefiting from this as they are much more closely linked to local authorities than schools. We will legislate for all PRUs to gain the same self-governing powers as community schools including, for the first time, giving their governing bodies powers over staffing and finance.'

(Para 3.32; The Importance of Teaching; DoE; 2010)

'There is not enough diversity of provision. We estimate that less than half of alternative provision is provided by the voluntary sector, despite experience suggesting that this sector can offer good and innovative provision. This may be because local authorities tend to see their own PRUs as the default option...'

(Para 3.33; The Importance of Teaching; DoE; 2010)

'We will open up the alternative provision market to new providers and diversify existing provision by legislating to allow PRUs to become Academies, encouraging Free Schools that

offer alternative provision, and supporting more voluntary sector providers alongside Free Schools. Free Schools in particular will be a route for new voluntary and private sector organisations to offer high quality education for disruptive and excluded children and others without a mainstream school place...we will use competitions to open the way for high quality new providers to enter the market.'

(Para 3.34; The Importance of Teaching; DoE; 2010)

...we plan to trial a new approach. Schools will be free to exclude pupils, but they will then be responsible for finding and funding alternative provision themselves. In line with our plans to give schools greater autonomy and more control of funding, we will explore shifting the money for alternative provision from local authorities to schools so schools can purchase for themselves the alternative provision they think will best suit disruptive children. They could either collaborate with other schools to provide suitable places, or buy them from the local authority, the voluntary sector or local colleges.

(Para 3.38; The Importance of Teaching; DoE; 2010)

18. The implication of these proposals is of a much more varied market of providers with schools free to choose from a variety of self-governing organisations that provide for excluded pupils. The freedom to choose is tempered by the need for the school to continue to take full responsibility for the outcomes of the pupil that is offered these alternative forms of provision.

Community Impact

19. If there is insufficient provision for young people with BESD, there is likely to be an implication for the whole community, particularly the community in which that young person lives. Appropriate, high quality provision offers the opportunity to intervene in the life of a young person to allow them to make a more positive contribution to society than if this was not available.
20. Some of the proposals in the White Paper have the potential to create greater community involvement in the governance of, and investment in alternative provision.

Financial Implications

21. A mechanism for the delegation of the PRU funding would need to be devised if the proposals articulated in paragraph 3.38 of the White Paper were to be enacted.

Legal Implications

22. Irrespective of the chosen option, there is a clear requirement to offer pupils at Pupil Referral Units (PRUs) 25 hours of provision with effect from 1st September 2010. This applies to students admitted as the result of a permanent exclusion or on medical grounds placed in PRUs.
23. Any legislative changes stemming from the White Paper will need to be considered.

Risk Management

24. If this matter is not resolved then the statutory requirements to provide 25 hours of provision at PRUs will not be met.

25. As stated in the Schools Forum paper of July 2010, there is a risk that the level of permanent exclusion or medical need is lower than predicted and that too many staff are taken on as a result. Careful use of contracts can help to mitigate this.

Consultees

PRU Head teachers
PRU Review group including:
Relevant LA Officers
Head teachers at HASH
Head of Brookfield Special School and Specialist College

Appendices

None

Background Papers

Children & Young People's Directorate Leadership Team – RADAR - Permanent and Fixed Period Exclusions June 2010
School-based Intervention Project – Herefordshire 2009-11
Herefordshire Schools Forum Tuesday 23 February 2010 Agenda Reports Pack
Herefordshire Schools Forum Tuesday 9th July 2010 Agenda Reports Pack
Government White Paper 'The Importance of Teaching' (DoE;2010) Chapter 3