
Dudley Schools Forum – 10th December 2013

Report of the Director of Children's Services

Behavioural Pupil Referral Unit Review and Restructure

Purpose of Report

1. To provide Schools Forum with the latest position in respect of the Pupil Referral Unit behavioural service review and restructure following the implementation of the 2013/14 DfE school funding reforms.

Budget Working Group Discussed

2. Yes – 4 December 2013.

Schools Forum Role and Responsibilities

3. From 1 April 2006, the Schools Budget has been funded by a direct Department for Education (DfE) grant: the Dedicated School Grant (DSG).
4. Schools Forum is the 'guardian' of the local Schools Budget, and its distribution among schools and other bodies, and therefore must be closely involved throughout the development process.
1. The Schools Forum Regulations 2012 include a section on the consultation on financial issues. Where the authority must consult the Schools Forum annually in respect of the authority's functions relating to the schools budget, in connection with the following:
 - arrangements for the education of pupils with special educational needs;
 - arrangements for the use of pupil referral units and the education of children otherwise than at school;
 - arrangements for early years provision;
 - administrative arrangements for the allocation of central government grants paid to schools via the authority.

The authority may consult the forum on such other matters concerning the funding of schools as they see fit.

Action for Schools Forum

5. For Schools Forum to note the information update in the respect of the Pupil Referral Unit review and restructure.

Attachments to Report

6. None.

Karen Cocker

Children's Service Finance Manager

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Background

2. At the March 2013 Schools Forum meeting the Dedicated Schools Grant budget planning report outlined the requirement for the local authority to consult with Schools Forum in respect of those functions relating to the schools budget, and in particular, the arrangements for the use of Pupil Referral Units and the education of children otherwise than at school was discussed.
3. With the introduction of the 2013/14 school funding reforms a review and restructure of Dudley's behavioural Pupil Referral Units was required. An initial report was presented at the July meeting with a recommendation that a further update was presented in the Autumn.

2013/14 School Funding Reforms

4. As part of the national School Funding Reforms there have been a number of significant funding changes to affect Pupil Referral Units (PRUs).
5. From April 2013 they now have:
 - a. A similar autonomy over budget and staffing decisions to maintained schools and access to freedoms offered under Academy status. In particular:
 - The management committees of PRUs will have delegated budgets together with responsibility for all other financial decisions necessary to manage and spend budgets effectively, such as signing contracts and ensuring accurate accounts are maintained. They will have the power to carry forward deficit or surplus budget balances at the year end.
 - PRUs will have primary responsibility for all decisions about the recruitment and management of staff (including appointing, appraising, suspending or dismissing members of staff) and this responsibility will sit with the management committee of a PRU, rather than the local authority. As with community schools, however, the local authority as the employer

will carry out the actual appointments of staff, based on the Management Committee's decisions and the local authority will remain the employer of staff in PRUs and will continue to be responsible for agreeing pay and conditions of employment.

- The PRU Management Committee will be required to meet the requirements of the Consistent Financial Reporting (England) Regulations 2012 and will be responsible to satisfy the requirements of the Schools Financial Value Standard (SFVS).
- b. For the behavioural PRUs, all direct state-funded Alternative Provision institutions (including PRUs) now receive base funding of £8,000 per planned place, topped up by funding from the commissioning local authority or school for each pupil admitted to the PRU.

2013/14 Funding

6. Due to the low number of places commissioned this has had an adverse impact on the funding arrangements for Dudley' behavioural PRU from 2013/14 which makes the transition from a centrally funded service to a delegated place led provision more challenging financially.

Financial Support for PRUs

7. The July 2013 Schools Forum report outlined that Dudley's behavioural PRU was under review to ensure the structure and the service are fit for purpose and in line with the new funding arrangements. However, as the restructure would not be complete until 2014/15 then, as an interim measure, the Director of Children's Services outlined the need to provide additional financial support from the Dedicated Schools Grant to the behavioural PRU on a contingency basis over and above the place plus top up funding approach. This is permitted within the School Finance Regulations.
8. This action does mean that any financial decisions made by the Management Committee must be within the financial framework of funding approved, to include the contingency, and that the behavioural PRU will not have a roll forward, surplus or deficit, for 2013/14.

Dudley Behavioural PRU Review

9. The Dudley behavioural PRU provision of 52 places is currently located across 3 sites. The Sycamore site and Abberley Street site provide provision for secondary aged pupils with the Mere site provision for primary aged pupils.
10. Since September 2013, the provision now has a single DfE registration (Sycamore Short Stay School) with an interim leadership and management structure in place that covers provision across the three sites. As part of the Dudley Town Accommodation strategy the Abberley Street site is due to close at the end of the spring term 2014 and there is a plan in place to locate all secondary provision on the Sycamore site.

11. As part of the ongoing restructuring of the service it is anticipated that by September 2014 the primary provision will also be located on the Sycamore site. The move to locating all behaviour provision onto a single site is a key factor in ensuring a more cost effective service that incorporates a more flexible and targeted staffing resource.
12. Discussions have taken place with both Primary and Secondary colleagues to consider potential future working models of provision for permanently excluded pupils (centre based) and also outreach work. At secondary phase this discussion is still ongoing but Primary Heads have indicated their willingness to de- delegate the equivalent of a single primary pupil basic led funding amount of £3,126 per school in order to maintain the Mere outreach support for 2014/15. This would commence from the start of the financial year April 2014.
13. Given the new PRU funding model where only planned place Centre based work receives funding, it was extremely important that the Mere outreach work, which accounts for around 50% of the primary staffing and has been a contributing factor in zero permanent exclusions across Dudley primary schools over the last three years, was retained. Further information relating to the support schools receive is contained within the de-delegation report within this agenda.
14. New Management Committees have been set up for both Cherry Tree Learning Centre and The Sycamore Short Stay School in line with new Governance requirements. The membership consists of school, community, Local Authority, staff and parent members. In line with DfE requirements they have fully delegated powers although in the case of the Sycamore Short Stay School the Local Authority has retained an overview given the budget deficit.
15. There has been no further news on funding arrangements for Emotional and Medical PRUs from the DfE, post April 2015. Up to this point Cherry Tree Learning Centre will continue to be funded on a historical basis in respect of the 76 places.

Finance

16. The funding of schools is prescribed by the Department for Education (DfE) through the School and Early Years Finance (England) Regulations 2012.
17. Schools Forums are regulated by the Schools Forums (England) Regulations 2012.
18. From 1 April 2006, the Schools Budget has been funded by a direct grant: Dedicated School Grant (DSG).

Law

19. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

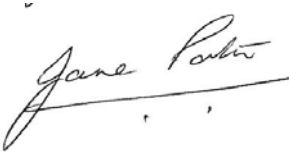
Equality Impact

20. The Council's Equal Opportunities Policy is taken into account when considering the allocation of resources.

Recommendation

21. Schools Forum to note:

- The ongoing work in respect of the behavioural Pupil Referral Unit service review; and
- That a further update will be provided in the Spring term.

A handwritten signature in cursive script that reads "Jane Porter". The signature is written in black ink and is positioned above a horizontal line.

Jane Porter

Director of Children's Services

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