

Joint report of Strategic Director for Children, Young People & Families and Strategic Director for Resources

Pupil Reintegration Unit

Recommendation

The Schools Forum is recommended to:

- Agree to budgets for the provision of education for children who have been excluded, or are at risk of exclusion for 2012/13 being set as outlined in the report.
- Agree that the allocation methodology for 2012/13 funding to Area Behaviour Partnerships be based on Free School Meal data but for alternative data to be sought and reviewed during the year

Introduction

1. Members of the Forum will recall reports regarding the Pupil Reintegration Unit (PRU) and alternative use of PRU budgets that have been considered at various meetings throughout last year.
2. Since the last report, the strategy around the future use of the PRU and the enhancement of ABP responsibilities has progressed with the Area Behaviour Partnerships taking responsibility of the allocated funding and Cabinet agreeing to the closure of the PRU on 31 August 2012.
3. The purpose of this report is to propose budget allocations across a number of related services for 2012-14 but should be considered in the context of the wider Dedicated Schools Grant, reported elsewhere on the agenda.

Budget Allocations 2012/13

4. As suggested previously, it is the intention of the financial strategy to allocate as much of the existing PRU budget to Area Behaviour Panels as practicably as possible in 2012/13. It is anticipated that this is possible despite continuing high costs associated with the delivery of services within the PRU and on-going costs associated with those children in the PRU after closure in August.
5. For the 2012/13 budget there are a number of strands that require consideration to support the ongoing delivery of alternative provision around pupils at risk of exclusion. These include:
 - Allocations to Area Behaviour Partnerships
 - Allocation for Primary Support – Cluster Funding and Early Intervention Service

- Local Authority Central Provision – Virtual Head
 - PRU allocation – April 2012 to August 2012
 - Alternative Provision for the period September 2012-July 2013 for Year 10 pupils currently on the PRU roll
6. A summary of the total financial position for the period 2011 to 2014 is included as Appendix A. The PRU Board agreed with this financial strategy at its recent meeting on February 22nd.

Allocations to Area Behaviour Partnerships

7. As suggested during 2011/12, it is proposed to maximise the funding allocation to ABPs for the academic year 2012/13. Members of the Forum will recall that because of the timing of when the PRU strategy was implemented, funding is being allocated on an academic year basis and, during 2011/12, £1.6m has been allocated to ABPs, which has been funded through DSG reserves.
8. We are now proposing to allocate the whole Secondary PRU budget to ABPs for the academic year 2012/13. This is £2.417m and, inline with current arrangements, it is suggested this is available to ABPs in full from September 2012.

Method of Allocation

9. Members of the Forum will recall that adjustments were made to the 2011/12 funding allocations to ABPs following reconsideration of the preferred allocation methodology. To avoid similar concerns being raised, the original four methods of allocation have been recalculated using current data and have been considered at the PRU Board. To recap the four options are:
- Free Schools Meals (average of last three years)
 - Additional Education Needs (average of last three years)
 - Per pupil
 - Per school
- 10 The resulting allocations by area are included as Appendix B. Again, the PRU Board considered these allocation options at its meeting on February 22nd. Whilst it was noted by the Board members that there was not an exact link between deprivation and exclusions or risk of exclusions, it was suggested that the FSM indicator was probably the best current option. However, due to the reservations expressed over the relevance of FSM to the allocation of the ABP funding, it was suggested that this methodology only be used for 2012/13 and that the use of data from the Risk of NEET Indicator (RONI) system be considered thereafter.

Preventing exclusion in the primary phase

- 11 At its meeting in December, the school forum agreed two year funding for the project to prevent the permanent exclusion of primary age children. As means of recap, this initiative has resulted in six pilot primary learning communities

where Inclusion Support Groups are being developed, which includes nurture provision across these areas, between the Early Intervention Service in the Authority and the schools. The Primary Learning Communities cluster areas, being super output areas and therefore areas of high deprivation are:

- Stockingford (8 schools)
 - Atherstone (4 schools)
 - Whitnash & Sydenham (13 schools)
 - Rugby (5 schools)
 - Bedworth 1 (5 schools)
 - Bedworth 2 (7 schools)
12. It is proposed that the level of funding is maintained as per the agreement, namely £0.040m per cluster area per academic year of the pilot (total of £0.240m) and £0.165m allocated to the Early Intervention Service to establish partnership working, train primary schools in early intervention and facilitate interventions appropriate to the child.

Local Authority Central Provision – Virtual Head

13. From September 2012, it is proposed that the Local Authority role is to:
- Champion the interests of children excluded or at risk of exclusion, by monitoring and challenging outcomes for children supported by funding devolved to ABPs or Primary Learning Communities
 - Maintain an up to date virtual school roll for all children accessing alternative provision due to exclusion or risk of exclusion
 - Develop and manage the strategy to secure the best possible outcomes for all such vulnerable children in Warwickshire educated in alternative settings
 - Be responsible for maintaining a quality assured provider framework, addressing any issues associated with the framework and to work with schools, especially ABP coordinators, to build up capacity to commission appropriate alternative provision where necessary
 - Report on a termly basis on the overall effectiveness of the policy to devolve funding that is allocated to ABPs or Primary Learning Communities and commission alternative education provision
 - Be responsible and accountable to the cost centre manager for the management of the allocated financial resources and to ensure that they are used to greatest effect.
14. The initial suggestion is that these functions are carried out by one full time officer within the County Council (probably at a level and pay commensurate with a secondary school assistant head). The role could be expanded to include a wider group of children deemed to be 'vulnerable', such as those missing education.
15. It is estimated that the cost of this post, including necessary administrative support would be £0.100m per year and at its meeting, the PRU Board noted that there was merit in having this new post, albeit that the job description needed some re-wording in places. The Forum is recommended to approve funding to support the implementation of this post.

PRU Allocation April 2012 to September 2012

- 16 As mentioned above, Cabinet have agreed for the closure of the PRU from September 2012, and a revised expenditure profile has been prepared to fund the staffing structure, educational and other expenses at the PRU from 1 April 2012 until its closure. The estimated cost for this period, net of anticipated levels of income from ABPs for those pupils that are eligible for charging under the agreed arrangements is £1.009m.
- 17 It should be noted that this expenditure does not include any provision for any redundancy costs that may be incurred as a result of the closure. Once more details of this are known, consideration will be given as to whether additional funding will be requested to support this expenditure in light of the wider DSG position.
- 18 It is recommended that the five-month budget of £1.009m is agreed to support the PRU until its closure in September

Alternative Provision from September 2012

19. After the PRU closes in September, there will still be a number of year 11 pupils on roll. While these pupils are expected to be educated through alternative provision, namely college education, many of these pupils are not funded through the charging arrangements as they were excluded prior to the charging arrangements being implemented.
20. With this in mind, it is recommended that provision of £0.263m is allowed in 2012/13 to meet these costs. It is further proposed that the charge to ABPs for these pupils will be inline with the cost of college education rather than the standard £20,600 charge normally applicable.

Medium Term Financial Plan

21. Included in Appendix A is the forecast level of budget needed over the next three years. It is evident from the plan that the level of funding reduces over this period as the costs associated with pupils currently educated through the PRU reduce to zero. However, during 2012/13, because of the dual running of maximising funding to ABPs while we still incur costs associated with the PRU, there is an expected shortfall of £0.365m against available funding.
22. As part of wider reviews of DSG funding and the appropriateness of service provision it has been agreed that some existing centrally managed funding arrangements will reduce over the next two years. In particular, targeted provision for nurture groups will stop from September 2012. Over recent years, £0.180m of DSG funding has been used in targeted primary schools to support the implementation and development of nurture groups and it has been agreed that this funding will stop at the end of the summer term in 2012. The existing SLA runs

until 31 March 2012 although some period of wind down is expected.

23. Similarly, this review of funding has identified £0.084m of funding that has been previously made available to ABPs for use of the Early Intervention Service. Given the commitment to maximize allocations to ABPs through the initiatives identified above, it is suggested that this funding can be utilized against this funding pressure.
24. It is expected that the remaining shortfall against the budget can be met from rephasing budgets between financial years or through short-term use of reserves.
- 25 Further, the medium term financial plan has identified a surplus of funding from 2013/14 and options for the use of any surplus funding will be brought back to a later forum.

Conclusion

- 26 A full analysis of budget requirements across the various aspects of alternative provision across Warwickshire has been undertaken and developed into a medium term financial plan.
- 27 While this plan suggests there is an expected shortfall of funding in 2012/13, it is anticipated that this can be mitigated through rephrasing of budgets between financial years (and thereby using future surplus funds) or through use of DSG reserves in year.
- 28 It is recommended that, inline with previous discussions, we maximise the level of allocations to ABPs by offering the full PRU budget for the 2012/13 academic year.
29. It is recommended that the Free School Meals be used as the preferred allocation methodology in 2012/13 with a review during this year for proposals for 2013/14.

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