

**REPORT TO:** Executive Board

**DATE:** 28<sup>th</sup> March 2013

**REPORTING OFFICER:** Strategic Director, Children and Enterprise

**PORTFOLIO:** Children, Young People and Families

**SUBJECT:** Pupil Referral Unit Delegated Budgets and drivers for change

**WARD(S)** Borough-wide

**1.0 PURPOSE OF THE REPORT**

1.1 This report provides a summary of the effects of the School Funding Reform on the two Pupil Referral Units in the borough and seeks permission from the Executive Board to consult on the amalgamation of the two Pupil Referral Units (PRUs) in Halton.

**2.0 RECOMMENDATION: That**

- 1) Executive Board gives approval, as a basis for consultation, to the amalgamation of the Key Stage 3 and Key Stage 4 PRUs, bringing existing Key Stage 4 staff and provision under the leadership of the Key Stage 3 PRU with effect from 1<sup>st</sup> September 2013; and**
- 2) Officers report back to Executive Board after the consultation has taken place.**

**3.0 SUPPORTING INFORMATION**

3.1 Halton has two PRUs in the borough providing education to pupils excluded from mainstream schools. There is a Key Stage 3 PRU for pupils from the age of 11 to 14 years old and a Key Stage 4 PRU for pupils from the age of 14 to 16 years old. The Key Stage 3 PRU is known as The Bridge School and has places for 20 pupils. The Key Stage 4 PRU is known as the KS4 Gateway and has places for 40 pupils. Both PRUs are located within the same building on Astmoor Industrial Estate.

3.2 The management structure of both PRUs includes one Management Committee that governs both PRUs together and a Head teacher for each individual PRU.

3.3 As part of the School Funding Reform the Local Authority (LA) is

charged with putting in place arrangements for PRUs to have delegated budgets by April 2013. Amendments to regulations relating to Management Committees are in place to take effect from April 2013 to allow Management Committees to have the delegated powers necessary.

- 3.4 From 1 April 2013, the responsibility for decisions about the recruitment and management of staff (including appointing, appraising, suspending or dismissing members of staff) will sit with the management committee of a PRU, rather than the local authority. The local authority will remain the employer of staff in PRUs and will continue to be responsible for agreeing pay and conditions.
- 3.5 The funding of PRUs is also changing as a result of the School Funding Reform, moving to what is known as Place-Plus Funding.
- 3.6 PRUs currently receive a lump sum of money from the LA's Dedicated Schools Grant (DSG) funding. From April 2013 instead of receiving one lump sum the PRUs will receive base funding at the start of the financial year and then additional top up funding for each pupil as they enter the PRU. Both types of funding come from the LA High Needs Block.
- 3.7 Base funding has been set at £8,000 per pupil by the Department for Education (DfE). Top up funding rate is agreed with the LA at the beginning of a financial year.
- 3.8 Within the KS4 Gateway the Head teacher, the teacher with TLR points and a teaching assistant have recently left their posts to progress to other opportunities. Taking these vacancies into consideration along with the School Funding Reform and move to Place-Plus Funding for PRUs the PRU Management Committee support the opportunity to re-evaluate the structure of both PRUs.
- 3.9 The Management Committee support the proposal to amalgamate both PRUs by bringing them under the direction of one Leadership and Management Team. This would have many benefits including:
  - Ability to achieve a smoother transition and consistency for pupils from KS3 to KS4 under one Leadership and Management Team
  - One Leadership and Management Team for parents and pupils who attend the PRU to work and communicate with
  - A clearly defined management structure governed by the Management Committee to ensure high quality provision across both key stages
  - Allowing a rationalisation of current responsibility roles, such as SENCO and Heads of Curriculum areas

- A formal recognition of the sharing of rooms, resources and staff that is already happening across both PRUs
- Developing a more sustainable structure by securing efficiencies in terms of administrative work and Service Level Agreements for other PRU support e.g. Human Resources, Payroll, Legal, SIMS, IT support, School Meals, Financial Management
- Achieving better value for money
- Greater career progression opportunities for staff

3.10 The proposal is to bring existing KS4 Gateway staff and provision under the leadership and management of The Bridge School and to cease the KS4 Gateway as a distinct PRU. This is known to the DfE as an amalgamation of existing provision. A PRU is not subject to School Organisation Legislation and for this method of amalgamation there is no requirement to complete statutory consultation under the school's legislation.

3.11 In order to comply with the Public Sector Equality Duty it is intended to consult stakeholders including users and their parents, staff, unions, providers and groups representing the protected characteristics as defined in the Equality Act 2010. A period of 4 weeks is considered appropriate to complete genuine consultation.

3.12 Subject to approval to consult given by the Executive Board on the 28<sup>th</sup> March 2013 this consultation period will begin in April 2013, with responses received reported back to the Executive Board in June 2013.

3.13 Due to the shared arrangements between Halton Borough Council and Cheshire West and Chester Local Authorities collaborative work will take place with Cheshire West and Chester to benefit from their experience developing a high performing pupil referral unit.

#### 4.0 **POLICY IMPLICATIONS**

4.1 The Local Authority has a statutory duty to arrange education for pupils who, because of exclusion or other reasons, would not otherwise receive suitable education.

#### 5.0 **OTHER/FINANCIAL IMPLICATIONS**

5.1 The amalgamation of the PRUs as one school allows for cost efficiencies to be secured in terms of Leadership and Management roles, administrative work and Service Level Agreements for other PRU support e.g. Human Resources, Payroll, Legal, SIMS, IT support, School Meals, Financial Management. This will allow the PRU Management Committee to achieve better value for money.

## 6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### 6.1 **Children & Young People in Halton**

The amalgamation of both PRUs will allow the PRU Management Committee to work within a clearly defined management structure to ensure high quality provision across both key stages, increasing their ability to provide a positive experience for pupils and their parents.

### 6.2 **Employment, Learning & Skills in Halton**

Progression to further education or training post 16 years old is a key priority for work with pupils attending the PRUs. The amalgamation of both PRUs allows the PRU Management Committee to provide consistent Information, Advice and Guidance across each year group to support pupils' plans for progression.

### 6.3 **A Healthy Halton**

The amalgamation of both PRUs allows for smoother integration of multi-agency working throughout all year groups.

### 6.4 **A Safer Halton**

N/A

### 6.5 **Halton's Urban Renewal**

N/A

## 7.0 **RISK ANALYSIS**

7.1 The funding of PRUs through the Place-plus funding model from April 2013 does bring uncertainty to the future funding amount PRUs will receive according to pupil number. Failure to achieve cost efficiencies and best value could result in individual PRUs becoming unsustainable.

## 8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 The amalgamation of both PRUs ensures an inclusive and coherent approach to managing the behaviour of pupils who have been excluded from mainstream schools.

## 9.0 **REASON(S) FOR DECISION**

The implications of the School Funding Reform on PRUs and the current vacancies at the Key Stage 4 Gateway provide an opportunity to achieve greater consistency and better value for

money by amalgamating both PRUs.

**10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

Maintaining two PRUs but putting in place one leadership structure across both PRUs – this option was rejected as whilst remaining as two PRUs there is limited cost efficiencies that can be achieved, e.g. each PRU would have to purchase their own Service Level Agreements.

**11.0 IMPLEMENTATION DATE**

1<sup>st</sup> September 2013.

**12.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
School Funding Reform – Arrangements for 2013-14	Rutland House	Simon Clough