

Schools Forum – 13th February 2019

High Needs Block: Permanent Exclusion Cost Recovery Consultation Evaluation

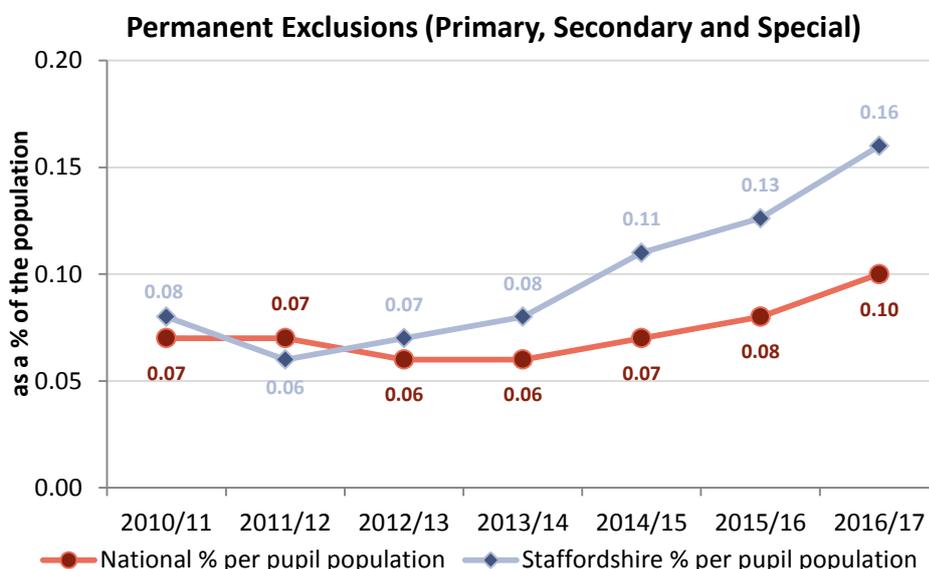
Recommendations:

1. That Schools Forum notes that the local authority is considering funding options available to reduce permanent exclusions across the county.
2. That Schools Forum agree to establish a task and finish working group to consider the funding options available.
3. That Schools Forum notes the increase in the cost for preventative placements in PRUs from April 2019 to align the costs of dual roll and single roll placements.

PART A

Reasons for recommendations:

4. Staffordshire has seen a continual rise in permanent exclusions and was 0.06% percentage points above the national published figure of 0.10% in 2016-2017.



5. With our increased demand on Pupil Referral Unit (PRU) placements following a permanent exclusion and due to the small number of pupils who have been successfully reintegrated back into a mainstream education, we have an unprecedented number of KS4 pupils whose needs are being met in a PRU with their education being funded 100% from the HNB.
6. This has limited the PRUs ability to provide time limited intervention placements and has put an increased pressure upon the HNB. Further options have

therefore been progressed in ensuring a sustainable funding system for subsequent years to support schools and academies to be inclusive when admitting a permanently excluded pupil and for the Local Authority to meet its statutory duties in providing education for permanently excluded pupils.

PART B

Background

7. Current legislation and central government directive states that the local authority is still responsible for arranging suitable full-time education for permanently excluded pupils from the 6th day of exclusion.
8. The Education and Skills Funding Agency (ESFA) operational guide for High Needs Funding states:
 43. *A local authority cannot require a maintained school to make any additional payments following a permanent exclusion, other than those set out in regulations. This does not include circumstances where a school has voluntarily entered into a separate legally binding agreement with the local authority.*
 44. *Whilst the regulations for deductions from an excluding school apply specifically to mainstream maintained schools, a local authority may also ask an academy trust to transfer funding for a pupil permanently excluded. The academy trust may be obliged under its funding agreement to comply with such a request, with the arrangements for payment the same as if the academy were a maintained school.*
9. Other Local Authorities have in place a Cost Recovery option, approved through their School Forums, and therefore a consultation to recover an element of the costs of permanent exclusions from excluding schools and academies has recently been concluded across all education sectors.
10. Within this consultation, schools and academies were asked their views on the proposal that for education providers who permanently exclude a pupil, in addition to the portability/exclusion charge as detailed within the Schools and Early Years Financial Regulations, a further charge is levied to recover a proportion of the cost of the education provision made for pupils who are permanently excluded.
11. It was recommended that the charge would follow the excluded pupil and used to either support reintegration back into a mainstream school or to offset the cost of appropriate alternative education provision if applicable.
12. Evidence shows that whilst the majority of schools and District Inclusion Partnerships work in partnership and are not permanently excluding pupils, there are a minority of education providers who continue to permanently exclude without any Graduated Response to challenging behaviours or by following 'zero tolerance' approaches to one-off incidents.

13. The table below, which was part of the consultation, illustrates three potential values of a Cost Recovery charge and the funding that would be available to support the reintegration of permanently excluded pupils or to fund their appropriate alternative education provision and to alleviate further pressure upon the HNB.

	Academic Year	
	2016-17	2017-18
PEX Pupils Less Rescinds and Overturns	230	202
Value of Cost Recovery		
£15,000	£ 3,450,000	£ 3,030,000
£10,000	£ 2,300,000	£ 2,020,000
£6,000	£ 1,380,000	£ 1,212,000

14. Over 80 schools and academies in total, across all phases and sectors, responded to the consultation and a detailed analysis can be seen in Appendix 1.
15. Whilst the majority of schools and academies did not agree with this proposal it must be noted that this was not an option for the local authority to make a profit out of a permanent exclusion but to acknowledge the burden upon the HNB following a pupil's permanent exclusion.
16. In analysing the responses from schools and academies, those education providers who had permanently excluded over the last two years were more likely to disagree with this proposal than those who had not permanently excluded.
17. Whilst most schools and academies felt that the level of the cost recovery charge should be as low as possible and linked to support provided to the pupil prior to exclusion. The majority of schools agreed it should be applied across all sectors and passported onto the admitting education provider to support reintegration.
18. Currently schools accessing a preventative placement at a Pupil Referral Unit (PRU) are charged in line with AWPU rates. This is not sustainable for the PRUs to deliver good quality alternative education and the LA is currently working with the PRU headteachers on developing their provision to meet the requirements of mainstream schools.
19. The costs for preventative placements will increase from April 2019 to bring them in line with the funding provided to them by the Local Authority for pupils who are on the PRU's single roll but more importantly to bring them closer to the national funding levels attributed to placements within PRUs.

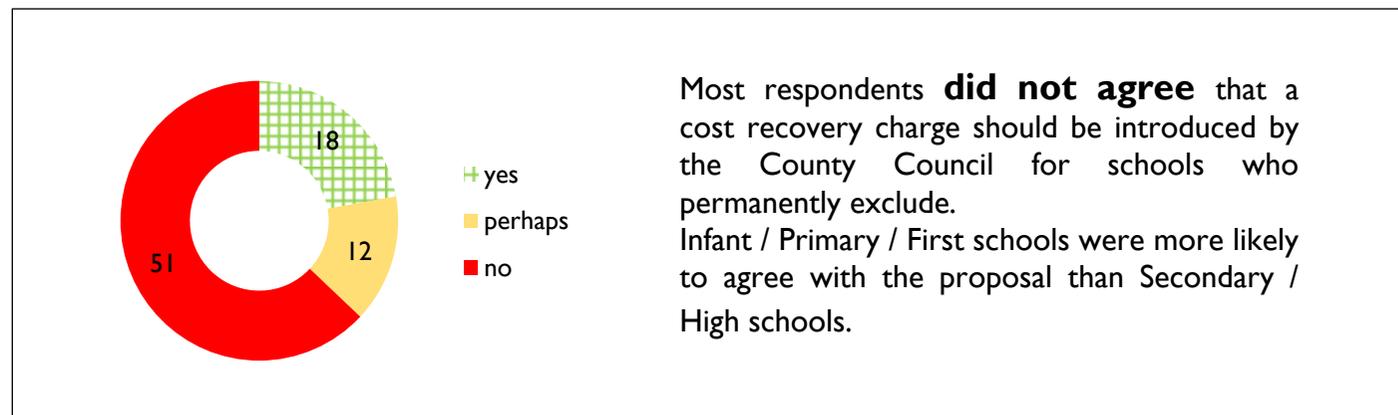
20. Schools accessing preventative intervention placements from a PRU should not have the view that to permanently exclude a pupil is a more affordable option and therefore in addition to the statutory portability charge, options to promote inclusion need to be considered.
21. A preventative intervention dual roll placement with a PRU should be considered before a permanent exclusion and it is expected that all schools and academies and relevant partners will continue to work together to reduce exclusions across the County.
22. However, it is recommended that a task and finish group is established from School Forum members across each sector and the Local Authority, including the Educational Psychologist Service, to consider funding options to promote inclusion and avoid permanent exclusions.

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Permanent Exclusion Cost Recovery Consultation Response

81
Responses received

Infant/ Primary / First **41**
Middle / Junior **9**
Secondary / High **27**
PRU **3**
Special **1**



Supporting reintegration

The **majority** (40/54) of respondents **supported** the use of any cost recovery charge in supporting the pupil's reintegration

- Could be administered through the DIPs
- Concerns about continuing support once funding ceases
- Should be linked to reason for exclusion

Funding alternative provision

There was **no consensus** on the use of any cost recovery charge in funding alternative education.

- ✗ 19/54
 - Some felt it was the LA's statutory responsibility
 - Some thought the Higher Needs Block should be used
 - Depending on the needs of the child
- ? 11/46
 - The DIPs could have the funding to develop appropriate alternative provision
- ✓ 24/46
 - If this was the right provision for the child

Variations in level of charge

Increase by Key Stage

✗ Most disagreed

Different for Primary and Secondary

? No consensus

The same across all ages and sectors

? No consensus

Varied according to response prior to exclusion

✓ Most agreed

- This may be due to more responses from Primary than Secondary schools
- Depends on suitability of available provision
- Secondary requires more support
- Equity and same level of accountability
- Depends on suitability of provision
- Many felt that although they agreed with the principle, it would be difficult and costly to administer



Only two respondents felt that any charge should be above £6,000.

Most felt it should be **as low as possible**.

34/47

Agreed that some or all of any cost recovery charge should be passported on to the admitting school.

38/46

Agreed that any cost recovery charge should be applied to both mainstream and special schools when permanently excluding pupils.

This was **not** the view of the only special school to respond to the consultation.

45 respondents gave comments at the end of their response. The themes below are those most commonly mentioned.



Any charge would unfairly impact schools who only permanently exclude for justified reasons.



A charge would amount to a budget cut for children with additional difficulties for whom funding is already too low.



If the Local Authority feels that some schools permanently exclude children too often, then it should intervene more aggressively.