

To: **Schools Forum**  
**22 June 2023**

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**Update on College Hall Pupil Referral Unit**  
**Executive Director: People**  
**Executive Director: Resources**

**1 Introduction**

- 1.1 To provide an update to the Schools Forum on the 2023-24 budget decisions made regarding College Hall Pupil Referral Unit (the PRU), including the approach to management of the £0.384m 2022-23 deficit. Due to the urgent nature of these proposals, a wider programme of engagement was not possible, but consultation did take place with the Chair of Schools Forum.

**2 Supporting Information**

- 2.1. College Hall supports secondary aged pupils outside of mainstream education. It encompasses a main building and separate cottage building on the main site, with other off-site locations also used and has capacity for 56 students. It is part of the High Needs Block Budget (HNB) that is funded by grant from the Department for Education (DfE) and whilst funding decisions are the responsibility of the Executive Member, up to the overall level of budget approved by the Executive.
- 2.2. Whilst the HNB budget 2023-24 was approved in March, the Forum was aware of operational and funding difficulties being experienced which would necessitate further work and this has now been completed. The separate agenda item on tonight's meeting relating to the 2022-23 Provisional Outturn on the Schools Budget identifies a £0.384m overspending at College Hall in that year.
- 2.3. In summary, the following factors have contributed to the need to review the budget:
- The needs of the pupils currently accessing College Hall are significantly more complex than in the past, with safeguarding related concerns being a key feature. College Hall staff are increasingly having to teach individual children separately from other students as a result of safeguarding concerns/risk assessments, and ensuring effective safeguarding requires greater capacity than has historically been the case.
  - Pupils recently admitted to College Hall have frequently had undiagnosed SEND needs or arrive without assessments, and staff at College Hall are increasingly having to undertake these assessments.
  - The complex needs of the pupils has led to increased use of satellite sites and also additional personalised provisions. This has led to increased costs in terms of these additional provisions, but also significant transport costs as the site is on a busy main road with no safe access.
  - Recruitment and retention of staff to alternative provision nationally is very challenging. Additional capacity is needed to provide increased support and training to less experienced or unqualified staff in order to build capacity from within.
  - Due to the challenges surrounding College Hall over the past three years, including during the pandemic, work to upskill staff has been less extensive

than would otherwise have been expected, meaning that there are legacy areas where more training is needed.

- Plans are in place to ensure that the function of College Hall is in keeping with current best practice regarding AP, including close joint working with mainstream schools and higher levels of reintegration to mainstream, leading to improved outcomes for vulnerable pupils. This will require additional staff capacity to ensure pupils are effectively supported back to mainstream.
- The removal of the Outreach and Tuition Service from College Hall has limited some economies of scale from which they were previously able to benefit.
- Although not a new factor, it should be noted that the site on which the main provision is housed is not fit for purpose, and the building itself means that higher staffing ratios are required in order to keep pupils safe and engaged.

College Hall is on an improvement journey, and as a result low level business efficiencies are expected over the next three years.

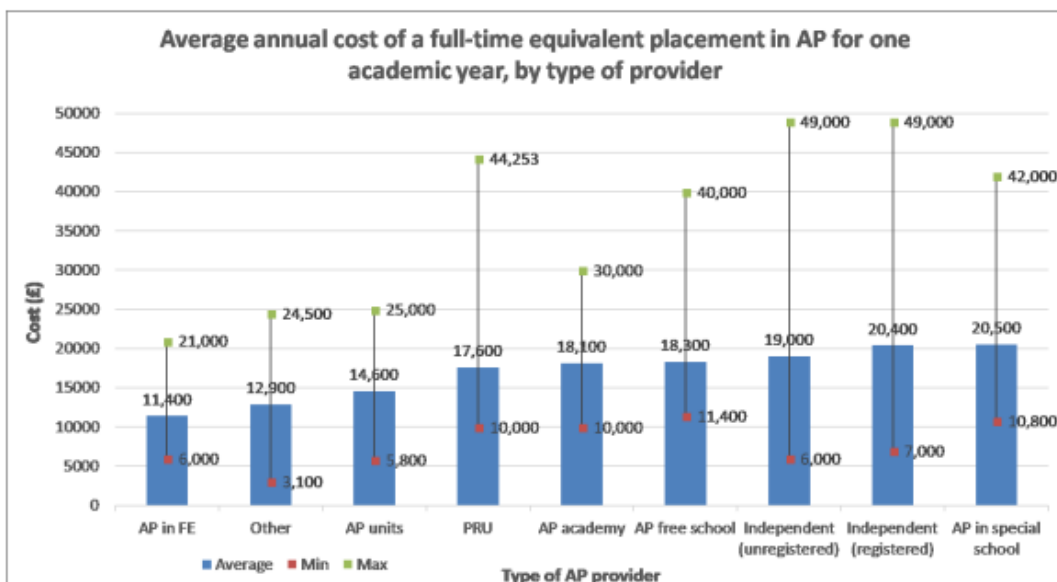
- 2.4. A review of the significant 2022-23 variances has identified that a majority of the additional expenditure was exceptional in nature, reflecting the challenges faced and responding to advice from the LA. This includes: the procurement of alternative provision for a number of students (£0.178m) during the autumn term 2022 to facilitate a "re-set"; the appropriate decision by the Management Committee to surrender managing the Home Tuition and Outreach Services SLA due to insufficient staffing capacity to manage the PRU on a day today basis (£0.075m loss of income); senior consultancy support during headteacher and other SLT absences (£0.074m); and outstanding EHCP funding (£0.030m).
- 2.5. This indicates that around £0.368m of the deficit is exceptional, and could be met from the general HNB, with the remaining circa £0.016m over spending arising from normal activities and could be a deficit to roll forward into 2023-24 for the PRU to fund. Carrying forward a significant deficit for the PRU to manage is not considered realistic in terms of the likely level of funding available. Without the specialist agency support for leadership, and the external AP commissioned by College Hall during autumn 2022, College Hall would have had to close, leading to significantly higher cost implications for the HNB and mainstream secondary schools.

Annex A sets out more details on the significant 2022-23 budget variances and the treatment of the deficit.

- 2.6. Staff in Education and Learning and Finance have therefore worked with College Hall Management Committee and the Consultant Headteacher on the development and costing of budget proposals that mitigates against the challenges and aims to address key areas for improvement:
- To recruit to a full staffing structure and secure an effective leadership team.
  - To ensure that safeguarding processes are highly effective and that there is a consistent culture of vigilance.
  - To provide high quality training and support for all staff in order to ensure consistently good teaching.
  - To implement a curriculum that is fit for purpose.
  - To implement effective review processes with mainstream schools and increase reintegration.

- To ensure a fit for purpose behaviour policy which staff are trained to deliver effectively.
  - To improve attendance.
  - To improve joint working with external partners.
  - To develop effective careers advice and support for transitions Post-16.
- 2.7. At the time the 2023-24 budget decision paper was completed, whilst the funding requirement for the PRU was not known, a cost pressure was anticipated, and therefore a growth amount of £0.250m was included under the high-level Education Otherwise than at School (EOTAS) budget line
- 2.8. Budget discussions with the PRU resulted in 3 options being presented:
- a) Option 1: a staffing structure that works to a broadly 1:6 pupil teacher ratio.
  - b) Option 2: a staffing structure that works to a broadly 1:7 pupil teacher ratio
  - c) Option 3: a staffing structure that works to a broadly 1:8 pupil teacher ratio
- Changes in budget requirement through the 3 options are in general restricted to staffing costs with all other costs broadly similar in both proposals. Any changes made are expected to be implemented from September 2023.
- 2.9. After adding the £0.250m EOTAS budget to funding available to College Hall, all 3 options resulted in an overspending as follows:
- a) Option 1 with a 1:6 pupil teacher ratio indicated a maximum £0.220m deficit.
  - b) Option 2 with a 1:7 pupil teacher ratio indicated a maximum £0.197m deficit.
  - c) Option 3 with a 1:8 pupil teacher ratio indicated a maximum £0.082m deficit
- 2.10. College Hall has historically been staffed on a roughly 1:8 ratio, but the current cohort has presented with higher levels of need than in the past. It is the view of staff within Education and Learning that the Option 3 proposal (based on a broadly 1:8 pupil teacher ratio, and supplemented with HLTAs, ELSA support, and additional alternative provisions mapped in to personalised timetables) would be sufficient to provide a good quality of education, once College Hall is operating within a 'business as usual' context. In the interim, it is likely that College Hall will need additional one-off financial support during 2023-24 in order to respond to the recommendations of the Standards Monitoring Board to support their rapid improvement journey.
- 2.11. It is expected that the indicated £0.082m over spending in 2023-24 can be financed from other HNB budgets, where based on an improved 2022-23 outturn position of £0.761m compared to that expected when the 2023-24 budget was set, should provide sufficient scope to achieve this. Identifying funds that can finance the £0.082m gap in 2023-24 and be vired on a permanent basis will ensure that sufficient funds are in place to finance the estimated budget requirement. This will be actioned later on in the financial year once more certainty is available on actual expenditure.
- 2.12. Option 3 would result is around a £28k per pupil cost when at capacity compared to £21k funding allocated in 2022-23.
- 2.13. Research into benchmarks for PRUs has not identified any reliable data from which to make comparisons. The DfE's 'Alternative provision market analysis report' October 2018, states that the average cost for a full-time placement in a PRU in the year 2017-18 was £17,600, but that there were high levels of variation, with LAs reporting figures ranging from £10,000\* to £44,000.

This is highlighted in the following table.



\*It is likely that where LAs have quoted a figure of £10,000 they were just paying the place-led element.

It should be noted that these figures are five years old. Once inflationary pressures and pay awards over this five-year period are applied, the equivalent figure for 2023-24 is more likely to be in the region of £22,800<sup>1</sup>.

2.14. A summary of the financial actions taken is as follows:

1. Of the £0.384m deficit recorded for 2022-23, £0.368m has been charged to the general HNB budget, with £0.016m carried forward into 2023-24 for College Hall to manage
2. A HNB funded budget for 2023-24 set at £1.554m, comprising £1.149m from the 2022-23 rolled forward budget, together with the following increases added:
  - a. £0.073m for general inflationary increases, in accordance with the budget setting strategy
  - b. the £0.250m additional funding agreed in the budget for EOTAS but not specifically allocated to be applied to College Hall
  - c. £0.082m to meet the balance of required spending, to be vired from another HNB budget that is expected to under spend

### 3 Equalities Impact Assessment

3.1 All pupils at College Hall have been identified as being vulnerable, due to the difficulties they have experienced in remaining in mainstream education. There is also a higher proportion of pupils with certain protected characteristics than is typical in Bracknell Forest schools, e.g. free school meal eligibility, race, gender identity different to sex at birth, and sexual orientation. The proposals set out above are intended to improve provision and outcomes at College Hall, and therefore are likely to have a positive impact on those young people at College Hall with a protected characteristic, or those from a low-income family.

<sup>1</sup> Based on Bank of England inflation calculator using the Consumer Price Index.

## **4 Strategic Risk Management Issues**

4.1 Key strategic management issues identified at this stage are:

- Failure to provide an effect provision would result in poor outcomes for pupils; negative inspection outcomes; reputational damage to the council; an expectation of additional overall costs for the requirement to purchase external specialist support.

### Background Papers

None.

### Contact for further information

Cheryl Eyre, Assistant Director: E&L	01344 351492
Zoe Livingstone, Head of Standards	01344 354192
Paul Clark, Finance Business Partner	01344 354054

## Treatment of 2022-23 forecast PRU deficit

<b><u>2022-23 Significant variances</u></b>	<b>Amount</b>	<b>Column 1 PRU liability</b>	<b>Column 2 HNB liability</b>
Staff on suspension (gross before insurance refunds)	£194,000	£194,000	
Staff acting up to cover vacant posts	£26,000	£26,000	
Savings from vacant posts	-£162,000	-£162,000	
Specialist Agency support			
Maiden Erleigh Trust - Simon Lovelock	£42,000		£42,000
Support to Management Committee	£7,000		£7,000
MW Education	£6,000		£6,000
Number One Park Lane Consulting (	£19,000		£19,000
Additional premises costs	£31,000	£31,000	
External AP during autumn 2022, spring 2023 "reset"	£178,000		£178,000
Loss of SLA income re Home Tuition / Outreach	£75,000		£75,000
Loss of other income	£8,000	£8,000	
Support to EHCP pupils - funding not yet received	£30,000		£30,000
Staff absence insurance refunds	-£71,000	-£71,000	
Other	1,000	-£10,000	£11,000
<b>Total</b>	<b>£384,000</b>	<b>£16,000</b>	<b>£368,000</b>

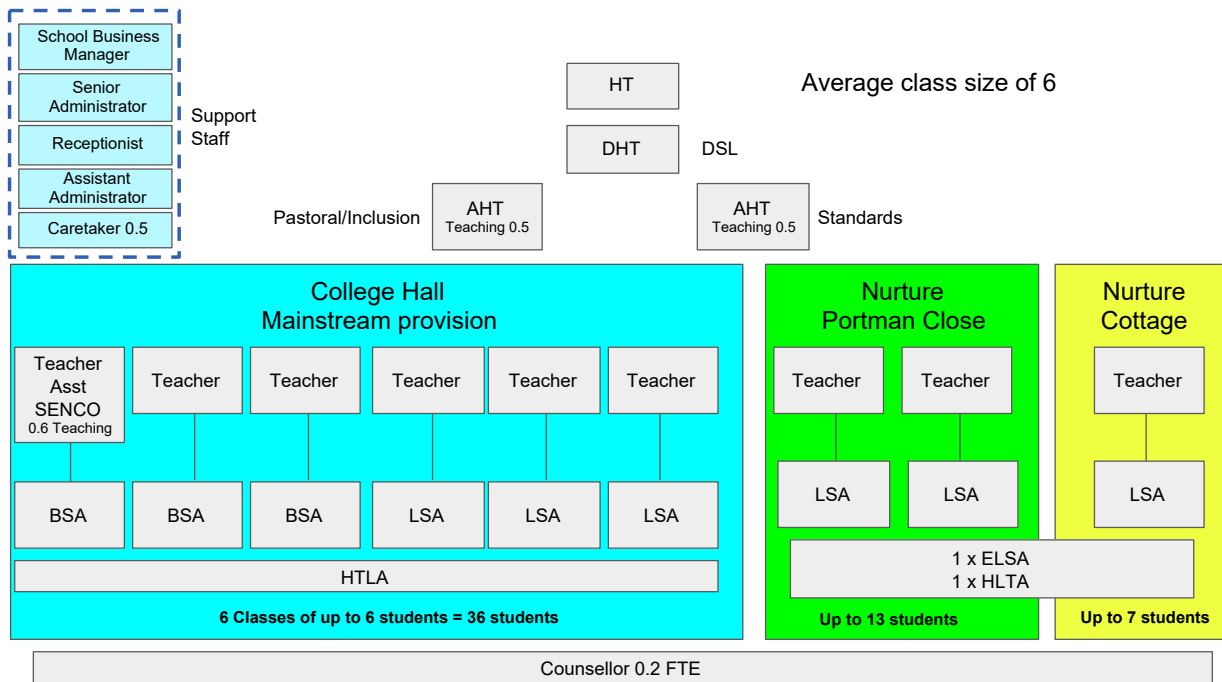
**Rationale for carry forward liability:**

PRU: normal costs of PRU operation

HNB: extraordinary costs, primarily related to moving pupils off-site following "re-set" period, additional consultancy support to SLT and surrender of SLA duties to prioritise stability of core services

## Proposed structure and funding requirement for the PRU on a broadly 1:6 pupil teacher ratio

### Structure: Option 1

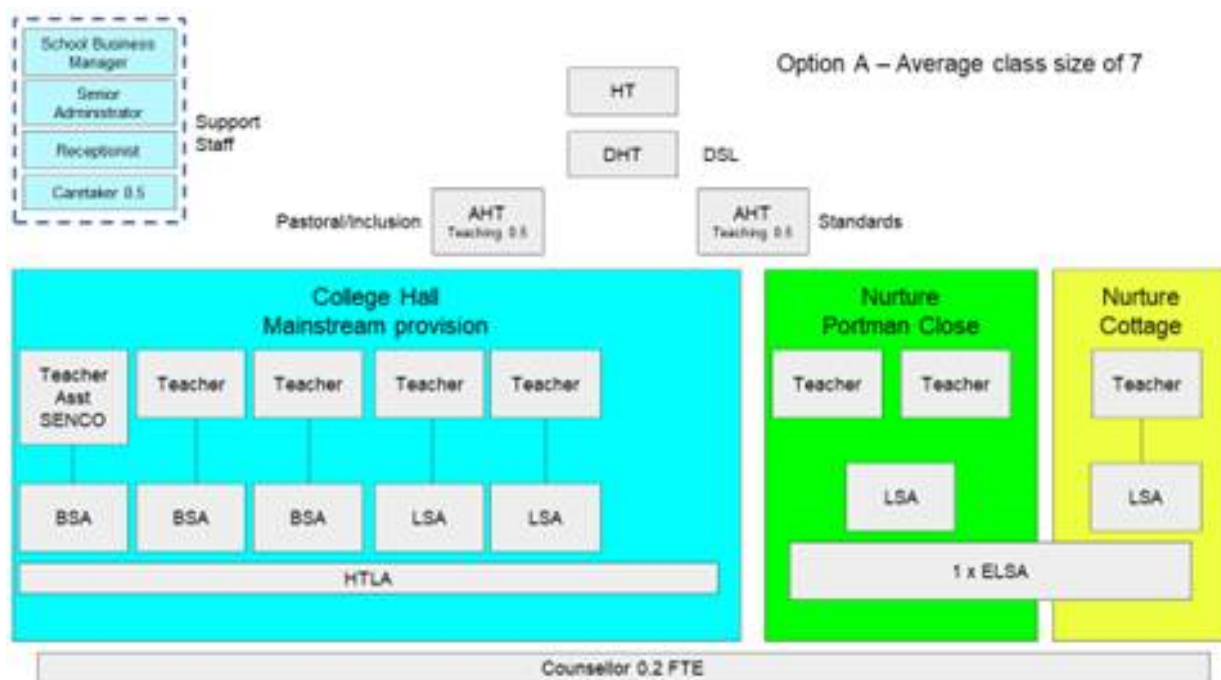


### Forecast budget requirement:

	2023-24 price base				
	2020-21 actual	2021-22 actual	2022-23 Est actual	2023-24 proposed	2024-25 proposed
Employees	£890,780	£1,070,280	£1,162,060	£1,273,750	£1,353,690
Premises	£112,900	£103,690	£149,150	£154,070	£154,070
Transport	£16,420	£16,210	£26,050	£28,720	£28,720
Supplies and services	£83,920	£114,800	£107,760	£177,660	£149,160
One-off exceptional costs	£0	£0	£252,000	£0	£0
BFC SLA purchases etc	£29,420	£34,780	£35,020	£36,900	£36,900
HTS & Outreach SLA income	£-67,210	£-102,440	£0	£0	£0
DfE specific school grants	£-107,470	£-39,800	£-26,640	£-30,120	£-30,100
Other Income	£-15,290	£-20,220	£-75,970	£0	£0
<b>Net spend</b>	<b>£943,470</b>	<b>£1,177,300</b>	<b>£1,629,430</b>	<b>£1,640,980</b>	<b>£1,692,440</b>
Indicative core funding from BFC (excludes b/fwd)			£1,148,890	£1,148,890	£1,148,890
Estimated inflation to 2023-24 prices				£73,600	£73,600
Estimated brought forward balance (surplus + / deficit -)			£48,000	£-26,000	
<b>Deficit for the year:</b>			<b>£432,540</b>	<b>£444,490</b>	<b>£469,950</b>
Maximum additional funding				£250,000	£250,000
Savings to be identified				£-194,490	£-219,950

## Proposed structure and funding requirement for the PRU on a broadly 1:7 pupil teacher ratio

### Structure: (Option 2)



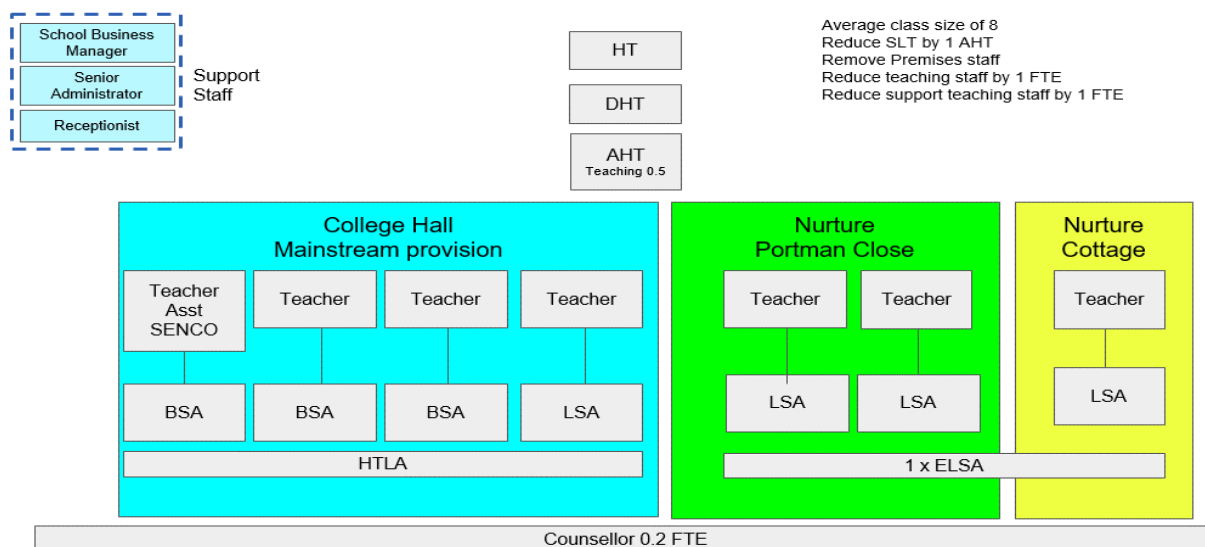
### Forecast cost:

	2020-21 actual	2021-22 actual	2022-23 Est actual	2023-24 price base	
				2023-24 proposed	2024-25 proposed
Employees	£890,780	£1,070,280	£1,162,060	£1,248,230	£1,331,180
Premises	£112,900	£103,690	£149,150	£154,070	£154,070
Transport	£16,420	£16,210	£26,050	£28,720	£28,720
Supplies and services	£83,920	£114,800	£107,760	£177,660	£149,160
One-off exceptional costs	£0	£0	£252,000	£0	£0
BFC SLA purchases etc	£29,420	£34,780	£35,020	£36,900	£36,900
HTS & Outreach SLA income	-£67,210	-£102,440	£0	£0	£0
DfE specific school grants	-£107,470	-£39,800	-£26,640	-£30,120	-£30,100
Other Income	-£15,290	-£20,220	-£75,970	£0	£0
<b>Net spend</b>	<b>£943,470</b>	<b>£1,177,300</b>	<b>£1,629,430</b>	<b>£1,615,460</b>	<b>£1,669,930</b>
Indicative core funding from BFC (excludes b/fwd)			£1,148,890	£1,148,890	£1,148,890
Estimated inflation to 2023-24 prices				£73,600	£73,600
Estimated brought forward balance (surplus + / deficit -)			£48,000	-£26,000	
<b>Deficit for the year:</b>			<b>£432,540</b>	<b>£418,970</b>	<b>£447,440</b>
Maximum additional funding				£250,000	£250,000
Savings to be identified				-£168,970	-£197,440



## Proposed structure and funding requirement for the PRU on a broadly 1:8 pupil teacher ratio

### Structure: (Option 3)



### Forecast cost:

	2020-21	2021-22	2022-23	2023-24 price base	
	actual	actual	Est actual	2023-24 proposed	2024-25 proposed
Employees	£890,780	£1,070,280	£1,162,060	£1,161,620	£1,139,530
Premises	£112,900	£103,690	£149,150	£154,070	£157,780
Transport	£16,420	£16,210	£26,050	£28,720	£28,720
Supplies and services	£83,920	£114,800	£107,760	£177,660	£156,520
One-off exceptional costs	£0	£0	£252,000	£0	£0
BFC SLA purchases etc	£29,420	£34,780	£35,020	£36,900	£36,900
HTS & Outreach SLA income	-£67,210	-£102,440	£0	£0	£0
DfE specific school grants	-£107,470	-£39,800	-£26,640	-£30,120	-£30,120
Other Income	-£15,290	-£20,220	-£75,970	£0	£0
<b>Net spend</b>	<b>£943,470</b>	<b>£1,177,300</b>	<b>£1,629,430</b>	<b>£1,528,850</b>	<b>£1,489,330</b>
Indicative core funding from BFC (excludes b/fwd)			£1,148,890	£1,148,890	£1,148,890
Estimated inflation to 2023-24 prices				£73,600	£73,600
Estimated brought forward balance (surplus + / deficit -)			£48,000	-£26,000	
<b>Deficit for the year:</b>			<b>£432,540</b>	<b>£332,360</b>	<b>£266,840</b>
Maximum additional funding				£250,000	£250,000
Savings to be identified				-£82,360	-£16,840