

## SCHOOLS FORUM - 21<sup>st</sup> January 2016

<b>Title of paper:</b>	<b>Re-Charging of place-funding at Beckhampton Centre Pupil Referral Unit for Pupils attending Out-of-City establishments.</b>
<b>Director(s)/ Corporate Director(s):</b>	Pat & Sarah Fielding, Directors of Education Alison Michalska, Corporate Director for Children and Adults
<b>Report author(s) and contact details:</b>	Alistair Conquer: <a href="mailto:alistair.conquer@nottinghamcity.gov.uk">alistair.conquer@nottinghamcity.gov.uk</a> Kathryn Stevenson: <a href="mailto:kathryn.stevenson@nottinghamcity.gov.uk">kathryn.stevenson@nottinghamcity.gov.uk</a>
<b>Other colleagues who have provided input:</b>	Karen.Chambers: <a href="mailto:Karen.chambers@nottinghamcity.gov.uk">Karen.chambers@nottinghamcity.gov.uk</a>

### **Summary**

The Local Authority is **consulting** Schools' Forum on the intention to discontinue 'place' funding from the High Needs Block for pupils attending Out-of-City establishments and accessing provision in Beckhampton Centre Pupil Referral Unit in the Local Authority.

### **Recommendation(s):**

- |          |   |
|----------|---|
| <b>1</b> | To support the Local Authority's intention to discontinue 'place' funding from the High Needs Block for new pupils from Out-of-City establishments accessing places in Beckhampton Centre Pupil Referral Unit from April 1 <sup>st</sup> 2016.                                |
| <b>2</b> | To note the intention of the Local Authority to expect Beckhampton Centre Pupil Referral Unit to re-charge, as appropriate, Out-of-City schools, academies and other authorities for the place cost in Beckhampton Centre Pupil Referral Unit from April 1 <sup>st</sup> 2016 |

## **1 REASONS FOR RECOMMENDATIONS**

- 1.1 The Local Authority must consult with Schools' Forum on this proposal involving relieving some of the strain on the High Needs Block, which is under increasing pressure.
- 1.2 All places are currently funded at £10,000 each, whether taken by pupils at City establishments or Out-of-City establishments, which places an inequitable strain on the City High Needs Block.
- 1.3 Re-charging establishments for Out-of-City places may help to make the provision more cost effective.

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 In the past, place funding has not discriminated between pupils from City establishments attending Beckhampton Centre Pupil Referral Unit and those from establishments outside of the Local Authority.
- 2.2 A realistic charge should be made for those places taken up by pupils from establishments outside of the Local Authority to reduce the demand on the High Needs Block and make the provision more cost effective.
- 2.3 It is the Local Authority's intention to cease funding any new places as of April 1<sup>st</sup> 2016, in order to recoup some funding which may be used elsewhere to relieve pressure on the High Needs Block. The Centre will need to recharge for these places directly from the schools or academies concerned.

## **3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 Continue to subsidise places taken up by pupils from Out-of-City establishments from the High Needs Block.

#### **4 OUTCOMES/DELIVERABLES**

- 4.1 Realistic funding of places taken up in Beckhampton Centre Pupil Referral Unit by pupils from establishments outside the Local Authority.
- 4.2 Greater flexibility of funding within the High Needs Funding block for City Schools.

#### **5 FINANCE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)**

- 5.1 The existing 2015/16 funding arrangements for Beckhampton Centre were consulted on at a Schools Forum sub-group meeting held on 16 January 2015. Proposals were supported for 2015/16 on the basis that this was a one-year arrangement to allow time for a strategic review of the future model of provision.

Under these arrangements:

- Beckhampton Centre is funded for 20 places, which is their maximum capacity. In line with national arrangements place funding is £10,000 from September 2015 (previously £8,000).
- Top-up funding is then provided for each pupil on roll. From September 2015, this is equivalent to £11,707 per year or £62 per day. This was calculated based on assumed annual full costs of the unit divided by the historic average of 14 pupils on roll.
- City schools contribute £26 per day (equivalent to the basic per pupil funding received for pupils on roll) with the high needs budget making up the remainder. . The high needs budget funds the full top-up value for City resident girls who were not previously on the roll at a school and are therefore sole registered at Beckhampton. Out-of-City schools are charged the full £62/day top-up value for Out-of-City resident pupils.

- 5.2 The approach of place funding being provided from the home LA high needs budget, with top-up funding being provided by the commissioning school or LA aligns to the principles of the high needs funding arrangements which came into place from April 2013.

However, unlike for SEN high needs places, on introduction of the new arrangements the LA did not receive a DSG baseline funding adjustment to reflect places taken in the Beckhampton Centre by Out-of-City pupils. This means the cost of all 20 places is currently being met by the City's high needs DSG budget, even though a growing proportion of places are being filled by pupils from Out-of-City establishments. The total place funding cost is £0.183m for 2015/16.

It was envisaged in the indicative budget that around a third of the pupils attending Beckhampton would be from Out-of-City schools. However, with falling numbers of City pupils the proportion of Out-of-City pupils has increased to around a half.

- 5.3 The proposal to require the Beckhampton Centre to increase the charge to Out-of-City schools to recoup the £10,000 place cost will require an increase in the daily charge from £62/day to £114/day.

Assuming on average there are 5 Out-of-City pupils accessing the provision, the proposal could result in additional annual income of £0.050m. However, if pupils

from Out-of-City establishments are not referred to the provision as a result of the higher daily rate this would leave the Centre with an annual income shortfall compared to existing income levels of up to £0.059m. It is understood that the County LA provides a contribution to its schools from its high needs budget towards the costs of County resident pupils attending Beckhampton.

- 5.4 Funding arrangements for 2016/17 will reflect a reduction in funded places due to the discontinuing of place funding from the high needs block for pupils attending Out of City establishments. Top-up funding levels will need to take into account the revised charging policy from 1<sup>st</sup> January.

## **6 LEGAL AND PROCUREMENT COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)**

### **6.1 Legal Implications**

Assuming the local authorities that place pupils at Beckhampton Centre Pupil Referral Unit (“Beckhampton”) are responsible for the pupils they place under the Education (Areas to which Pupils and Students Belong) Regulations 1996 (as amended), then the proposal to discontinue ‘place’ funding from Nottingham City Council’s High Needs Block for these pupils and then charge these local authorities for these amounts instead is lawful since these local authorities are commissioning Nottingham City Council (“NCC”) to provide alternative provision via Beckhampton.

Equally, insofar as Academy core funding includes amounts for alternative provision, the proposals set out in this report are also lawful in relation to Academies that place pupils at Beckhampton.

It is advisable that an Equality Impact Assessment is done in relation to these proposals. This is because, whilst the proposals essentially relate only to the way in which places are funded, it remains advisable that the equality impact of NCC implementing these proposals in terms of any potential consequences (e.g. out of city establishments ceasing to place pupils at Beckhampton) is still considered.

Jon Ludford-Thomas  
Senior Solicitor  
Legal Services  
Nottingham City Council

## **7 HR ISSUES**

- 7.1 Not applicable

## **8 EQUALITY IMPACT ASSESSMENT**

- 8.1 Has the equality impact of the proposals in this report been assessed?

Yes (attached)



**9 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION**

9.1 None

**10 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

10.1 None