

Wellbeing and Community Health

Agenda Item : 11

## SCHOOLS FORUM

27 September 2017

### Inclusion Budget & Impact of Permanent Exclusions 2017/18

#### 1. PURPOSE OF REPORT

To inform Schools Forum of the position regarding School Balances as at 31 March 2017.

#### 2. BACKGROUND

Permanent exclusions in Northumberland have risen sharply, with a total of 76 in 2016-17 compared to 43 in 2015-16. Recently published DfE data for 2015-16 shows that the national trend is similar.

The DSG funds this provision for permanently excluded pupils until they are re-integrated back into school. This can often take some time, and for pupils in Years 9 and 10 who follow vocational courses it is possible that re-integration does not happen before they reach the age of 16.

Following a budget re-structure in 2016-17, this part of the service (also known as EOTAS) is now funded from the Inclusion budget. The budget allocation for permanent exclusions is the same as 2016-17. This includes a one-off payment of £200 000 to contribute to the budget overspend of previous years, as permanent exclusions have steadily risen.

The allocation for 2017-18 does not therefore take into account the sharp increase in permanent exclusions up to July 2017. As the provision is statutory it will continue into 2018-19 and beyond. At the start of the new academic year on 1<sup>st</sup> September 2017 the budget will be funding provision for 69 permanently excluded pupils.

The majority of pupils permanently excluded are in Year 10 but 2016-17 saw an increase in exclusions in Years 9 and 11. There has been an increase in primary age exclusions from 3 last year to 6 in 2017-18 to date.

To achieve greater impact from the Inclusion budget to meet the growing cost of funding provision, measures were taken from June 2016 which achieved savings and efficiencies of more than £460,000:

- withdrawal of 'at risk' support as an early help measure to avoid permanent exclusion;
- introduction of service level agreement with schools for non-statutory elements of support e.g. arranging alternative provision, transition arrangements, inclusion support;
- added staffing capacity from deployment of Inclusion Support Workers (who joined the team from LIST in June 2016);
- creating separate budgets for EOTAS tuition (health needs pupils) and Inclusion (permanent exclusion);
- non-recruitment into vacant posts (since September 2016 9 members of staff have left the Inclusion team and have not been replaced, creating a saving of £215,847);
- move to agile/flexible ways of working for staff.

In September 2016 the local authority reviewed its approach to statutory fair access arrangements for hard to place pupils and responsibility for this function moved from Admissions to Inclusion. A review of this arrangement – the secondary Pupil Placement Panel – indicates that there has been some success in avoiding permanent exclusion. Of 89 referrals to the Panel, 76 pupils were successfully placed in new schools and only 13 were subsequently permanently excluded.

The Pupil Placement Panel has created an additional cost for the Inclusion budget however, from supporting phased re-integration from alternative provision placements back into school, arranging provision for cases waiting to be heard at the Panel, to senior officer staffing to manage the fair access process.

### 3. CURRENT POSITION

Despite the significant savings and efficiencies being achieved for the budget in relation to permanent exclusions, the rapid and continued increase in numbers makes the year-end forecast an overspend. The average daily cost of alternative provision is £73 per pupil. The current 69 open cases therefore cost the Inclusion budget £5,037 per day, or £982,215 for an academic year. During 2016-17 an average of 8 pupils were excluded each month of the academic year.

**On 1st September 2017 the year end forecast for the Inclusion budget was £160,000** (figure off-set by SLA income of £81 000). The overspend forecast does not take into account continued permanent exclusions from 1<sup>st</sup> September 2017 and a continued rise in the overall number of pupils excluded.

### 4. RECOMMENDATION

Schools Forum members are recommended to read the contents of the report prior to the meeting, and consider the inevitable reduction to the schools block funding due to the increase in permanent exclusions and the consequent financial implications for the Inclusion team.