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# Consultation on Future Structure of Alternative Provision

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Consultation on  
Proposal to Sutton's  
Pupil Referral Units at  
Limes College and  
Sutton Tuition and  
Reintegration Service  
(STARS)

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## Introduction

1. The Borough is very fortunate in having two successful PRUs, both judged good or outstanding by OfSTED in recent years. This strength in provision has supported the excellent alternative education provision within the borough, with expertise in the PRUs supporting the high aspirations of schools. Highly effective partnership working has been a major strength, with the Primary Vulnerable Pupils' Forum and the Secondary Vulnerable Pupils' Panel being two examples. However, the lack of PRU provision for the primary sector was noted and is being addressed outside of these proposals.
2. The PRUs are well placed to take on additional challenges, with validation of the high quality of provision through recent OfSTED inspections and comparative data. The leadership teams of both PRUs are passionate about their work and ensuring that they meet the needs of their student groups. Both recognize that their PRUs can develop provision and thus maximise their impact on vulnerable students, filling provision gaps identified and extending the preventative offer that they might make to schools and to pupils who may be at risk of exclusion or disengagement from mainstream education.
3. In July 2015, a report on was produced by the Inclusion Review Group to cover questions around the organisation, location and management of the PRUs; the sharing of their expertise across the PRUs; potential outreach to benefit other schools and students not on either PRU's roll.
4. One of the recommendations made in the report was for the Local Authority to consider the provision of up to 30 additional places across the secondary age PRU's. These additional 30 places would cost over £500k per annum of the budget at current funding levels. In addition, the formation of a new Primary PRU, formed as a standalone provision, was identified as a further priority, and this will also require additional top up funding to cover costs for the leadership team, administrative, finance and site costs. Over the next five years, the combination of meeting existing and future demand for places could lead to further significant increases in the costs of alternative provision. By contrast the current funding position within the DSG has required Schools Forum representatives to work with Local Authority officers to explore options to reduce costs. This means that in addition to the challenge of identifying how to fund the demand for additional places at both PRU's, it is likely that just meeting existing demand for alternative provision will mean both PRU's having to deliver education provision with further efficiencies. The additional place demand will only increase that need for further cost efficiencies. Part of the rationale therefore behind the proposal to merge both PRUs is to support the sector in delivering cost efficiencies, which may be required both now and in the future.
5. The Inclusion Review group reviewed a number of options, and made a recommendation to merge the two PRU's at STARS and Limes into a single provision. The recommendation proposed that while the provisions would *not* be physically integrated, they should have the leadership and governance structures merged to form a combined leadership team and a single Management Committee drawn from existing members of the separate management committees at Limes College and STARS to run PRU provision. It would then be for the merged Management Committee and the merged leadership team to work on proposals for a new leadership structure and for other proposals for any changes to arrangements for

providing the merged PRU's with advice and resources for HR, finance and administration and other services.

## Executive Summary

6. In July 2015, a report on was produced by the Inclusion Review Group to cover questions raised in a previous report such as the organisation, location and management of the PRUs; the sharing of their expertise across the PRUs; potential outreach to benefit other schools and students not on either PRU's roll.
7. The July 2015 report came at a timely moment given that:
  - Expectations are that schools and PRUs would have to manage real cuts in their per pupil funding across at least the next 5 years;
  - Ways needed to be found to maintain or improve provision despite these cuts in provision;
  - Additional places were needed in the future to fill provision gaps and to respond to additional demands due to expansion and changes in demographics.
8. One of the recommendations made in the report was the provision of up to 30 additional places across the secondary age PRU's. These additional 30 places would cost over £500k per annum of the budget at current funding levels. In addition, the formation of a new primary PRU, if formed as a standalone provision, would need additional top up funding to cover costs for the leadership team, administrative, finance and site costs. Over the next five years, this could lead to over £2m in additional costs culminating in an additional £650k per annum if we chose to have three stand-alone PRUs rather than look for savings through sharing certain aspects of their work.
9. The group reviewed a number of options, including:
  - The DSG to fund over £2m across the next 5 years through top slicing necessitating a reduction in school budgets by this sum;
  - Funding for these additional secondary places to be largely funded through cost efficiency savings across the two PRUS;
  - Link each PRU to another organization in order that costs could be shared across those organizations
10. The group recognized that schools were unlikely to support additional funding for PRU provision whilst there were opportunities for cost savings to be made. The group therefore made the following recommendation as part of a cost efficient strategy to preserve student provision whilst minimising future draw on the DSG/school funding:
  - **A single Management Committee drawn from existing members of the separate management committees to be formed to run PRU provision.** This also has benefits in terms of the many commonalities in PRU work and focus i.e. SEMH provision with overlapping provision in terms of: social needs; parental support structures; risk management; specialist interventions; specialist staff; short and longer term placements; liaison with SEN, LA and other organisations etc.
11. In February 2016, Council Officers reported to the Children Family and Education Committee on a possible merger of STARS and Limes. The report set out both the rationale as well as the

possible benefits and risks.

12. As part of those discussions with members in February 2016, officers reported that there were a range of potential advantages from merging the PRU's and there were ways to mitigate concerns and risks. These included

- Scope to share expertise and skills between the two PRU's more easily
- Potential to use their combined budgets to recruit specialist skills such as therapists and psychologists
- Opportunity to reduce the high cost per head of the leadership structures in two small separate PRU's and then re-direct the money 'saved' to face to face service provision for young people
- Greater flexibility to adjust to and cope with potential funding changes, including any reduction in funding levels or reduction in the number of places commissioned
- Sharing resources for 'back office' support to both PRU's in areas such as HR, Health and Safety, Finance, Legal, Administration.
- Easier to disseminate and use best practice from one PRU to another
- Easier to retain a wide and varied skill set among Management Committee members
- While the two PRU's would merge the leadership and governance, they would remain on their current sites. Although this would mean an integrated PRU being run on a split site arrangement, officers judged that the close proximity of the two buildings made this feasible and practical for staff and for leaders who might then have to move between one building and another
- The continued provision of hospital education in particular would be largely unaffected because it would remain physically located as at present, and would be through the same staff as at present. As the changes proposed were purely focused on leadership and governance officers felt that a merged leadership and governance arrangement would still retain individuals with a good knowledge of hospital education to continue it as it operates at present
- There are clear cost benefits in reducing the costs of leadership and back office provision to two small organisations. The size of an integrated merged PRU would still mean that it had fewer pupils on roll than would be found in most primary schools and special schools, so it was feasible and practical to have one leadership team and one management committee overseeing a provision of the size proposed through a merger.

13. a result, the Committee agreed that both provisions and other relevant stakeholders should be consulted formally on a proposal to merge the two provisions.

14. In September 2016, the Formula Review Group of the School Forum agreed that the Council should make a series of proposals for savings to the DSG. This proposed Savings Programme includes a specific proposal to reduce funding top up rates to both STARS and Limes. While this proposal will be subject to consultation with all schools, it is indicative of the challenges facing education in general in meeting rising costs and rising demand at a time when funding levels are reducing in real terms.

15. As a result, based on the recommendations from the Inclusion Review Group and the decision by the Children Families and Education Committee, the Local Authority are now

consulting with Limes College, STARS, other schools, parents, school staff and the wider community on the proposal to merge both PRU's leadership and governance structures.

## Consultation Purpose

16. To consult on a formal proposal to:
  - (a) to form a single Management Committee drawn from existing members of the separate management committees, to run Pupil Referral Unit (PRU) provision at Limes College and STARS.
  - (b) To form a merged leadership team working across both PRU's, using a structure to be decided after merger
  - (c) To retain the two PRU's on their existing sites and to continue to support pupils with different needs in different building
17. To support consideration of this proposal, the purpose of this document is to set out the context and rationale for the proposal and to make relevant information available to all those being consulted.
18. The feedback from the consultation will be reported back to schools, Schools Forum and subsequently be considered within the final decision-making process.

## Consultation Timescale

19. The consultation will begin on Friday 21<sup>st</sup> October 2016.
20. The consultation is scheduled for a 4 week period with the closing date for the consultation being Friday 18<sup>th</sup> November 2016.
21. Feedback from the consultation will be reviewed and summarised into a Consultation Response Report, which will be published to CFE Committee on Friday December 2<sup>nd</sup> 2016. That summary report will be accompanied by a further report to CFE making a recommendation on whether or not to merge Limes College and STARS PRU's. The report recommending a decision will also be published on Friday December 2<sup>nd</sup> 2016.

## Consultation Process

22. The consultation process will allow for a variety of methods to gather views on the proposal.
23. This will include: the opportunity for face to face meetings with staff, leaders and governors at Limes College and STARS; opportunity for face to face meetings with parents of students at the schools; paper survey responses; and electronic survey responses. Local Authority officers would also consider any additional face-to-face consultation meetings, which might be requested by stakeholders, such as schools or other Local Authorities.
24. The consultation will be promoted on the Council website - [www.sutton.gov.uk](http://www.sutton.gov.uk)
25. Minutes will be taken at any face-to-face meetings, which are part of the consultation.
26. The paper and e-mail survey response forms are set out below.
27. At the end of the consultation the responses to the paper and electronic surveys will be aggregated and analysed. The results from that aggregation will be published in a
  - a. 'Consultation Feedback Report' which will be distributed to Limes College, STARS, all other Headteachers and Chairs of Governors in Sutton, and members of Schools Forum. The feedback report will also be published on the Council website.
28. The Council will consider the feedback from the consultation before it is reported back to the Children Families and Education Committee for a decision on any merger.



## Rationale for the Proposal

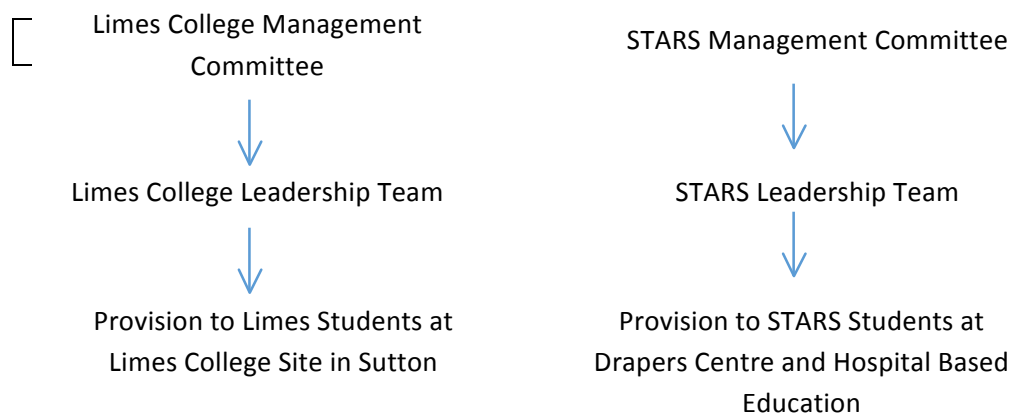
29. The Borough is very fortunate in having two successful PRUs, both judged good or outstanding by OfSTED in recent years. This strength in provision has supported the excellent educational provision within the borough, with expertise in the PRUs supporting high aspirations in schools. Highly effective partnership working has been a major strength, with the Primary Vulnerable Pupils' Forum and the Secondary Vulnerable Pupils' Panel being two examples.
30. The PRUs are well placed to take on additional challenges, with validation of the high quality of provision through recent OfSTED inspections and comparative data. The leadership teams of both PRUs are passionate about their work and ensuring that they meet the needs of their student groups. Both recognize that their PRUs can develop provision and thus maximize their impact on vulnerable students, filling provision gaps identified.
31. The proposal in this consultation does not look to withdraw access to expertise or specialist provision for students. Both PRUS have expertise which has developed over a number of years and which benefit students.
32. The aim of the proposal is to support:
- A flexible highly effective PRU provision that aspires to excellence in all it does, including any outreach for primary and secondary mainstream provision
  - Improved efficiency, given increasing budget pressures on all schools, to maintain and develop provision at a time of real terms cuts
  - Provision for existing "gaps", diverting existing resources as needed
  - Provision for increased demand given additional student numbers and a changing demographic, diverting existing resources as needed.
33. Students will continue to receive the same level of support from the same staff, with the same care and professionalism. For students, the "feel" of the PRU they attend will remain unchanged; this includes the small school provision for STARS. There are different geographical locations for the two PRUs, which will further support maintenance of the existing "feel". It was noted that leadership teams have a significant impact on ethos and "feel". However, this can still be promoted by those with responsibility for leadership and management and does not necessitate separate leadership structures.
34. The quality of the provision currently is either good or outstanding. Nevertheless this could improve further if we can explore opportunities for sharing expertise and skills among staff and explore opportunities for staff training and development. One important factor is ensuring we maintain the high quality of provision during times of funding challenge. This would help us ensure as much as possible of the resource we have available for PRU's is directed into capacity to support students it would mean that we can mean the anticipated rise in demand for places without needing to compromise any aspects of the current high quality of provision.
35. Economies of scale reduce leadership team costs, "back office" costs and strategic post costs when comparing the "per student place" cost. For example, a large secondary school's leadership team costs can be less than £400 per student (compared to over £2k per student place currently for each PRU). It would be unreasonable to expect such a drop in costs for

only 200 students; however, it is reasonable to expect that 50% of the additional 30 secondary places required could be funded through such savings with further efficiencies possible through the sharing of key strategic posts. We all accept the high level of need of the students but part of the high cost per student relates to small student numbers; larger numbers would bring economies of scale.

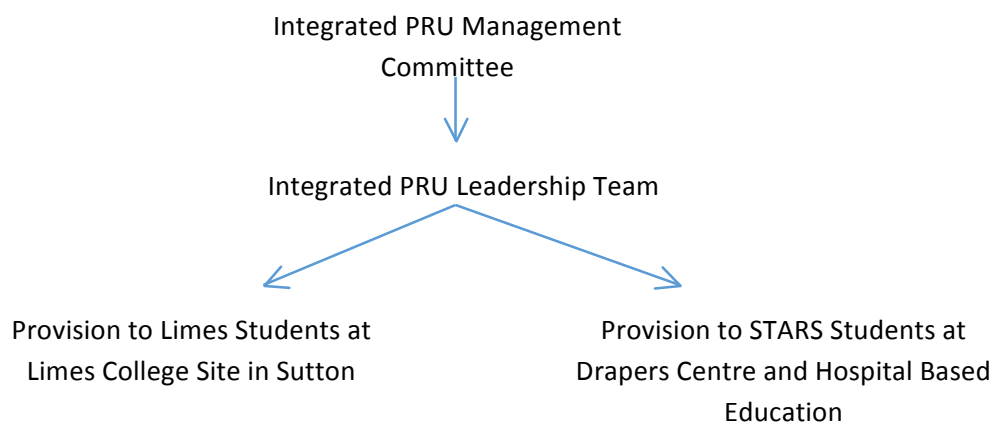
36. The Local Authority believes that proposal would allow the Management Committee be able to discharge its duties to its very different clientele. The Management Committee will continue to have the same responsibility and accountability for the performance of the PRU and the care of the students within it. There are also many advantages for a single point of discussion with SEN, LA and other organizations. OfSTED reports indicate that governance is of high quality in the Sutton PRU sector and, thus, that there is the capacity within the current membership to deliver a high quality of provision for all students.

37. STARS and Limes will continue to be held accountable for the quality of their work by the Management Committee. The leadership will continue to provide reports on various aspects of provision, and to be a crucial part of the development of the provision. The key focus of providing high quality of provision to vulnerable students will remain. The quality of interaction between the leadership team and management committee will continue to be crucial to future success of all parts of the PRU provision.

38. The current model of provision is as follows:



39. The proposed model of provision through a merger is as follows:



## Consultation Questionnaire Response Form

**Please note: All proposals are linked to the consultation document.**

Your Interest/Role Related to Consultation (e.g. member of staff, governor, parent of pupil):

Organisation (if applicable):

Contact e-mail (optional):

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1. The proposal is to merge the two PRU's to: (a) form a single Integrated Management Committee; (b) form a single Integrated Leadership Team: and (c) to keep the provision to students separate and continuing in its current buildings.

Do you agree with the proposal to merge STARS and Limes College in this way?

Strongly agree

Agree

Neither agree  
nor disagree

Disagree

Strongly  
disagree

2. Can you summarise your reasons for your view on the proposal as given at Q1?

Additional Comments:

Thank you taking part in this consultation. Please return a postal response to Ian Callaghan, Commissioning and Business Insight Officer, Chief Executive Group, London Borough of Sutton, Civic Centre, St Nicholas Way, Sutton, SM1 1EA

If you prefer to respond through email please send your response form to [ian.callaghan@sutton.gov.uk](mailto:ian.callaghan@sutton.gov.uk). An electronic version of this consultation document and an electronic response form will also be available at [www.sutton.gov.uk/](http://www.sutton.gov.uk/)