

Historical PRU Debt update

Key Messages

Forum members are asked to:

- **Note** the progress made regarding payment of historic debts since the last update in September.
- **Note and endorse** the proposal to send out a follow up letter to remind schools/trusts to settle their debts.

1. Introduction/background

- 1.1. The September 2023 the Schools Forum was given an update on the outstanding debt owed to the Pupil Referral Unit (PRU). At the time, the total historical debt outstanding was £337k.
- 1.2. The Forum agreed that the Director of Education and Skills should write to schools, on behalf of the PRU, reminding them of their financial obligation to pay the invoices or provide reasons as to non-payment.

2. Latest position

- 2.1. Letters were sent out at the beginning of November 2023, and at the time the total historic debt outstanding was £337k.
- 2.2. As at the end of January 2024, the PRU has received payments of £53k as a result of the letter being sent, leaving a balance outstanding of £284k owed by 26 schools across 19 different academy trusts/schools. Four of the 19 trusts with outstanding balances have paid in part.
- 2.3. Four academy trusts still have balances of £20k or more, with the largest historic debt being £54k. However, it should be noted that that part payment has been made by this trust.
- 2.4. Some schools/academies have paid in full, and some have paid the Age Weighted Pupil Unit (AWPU) and Pupil Premium (PP) elements only.
- 2.5. Reasons for part-payment or non-payment were cited as there being 'no legal justification for the charge'.

3. Next steps/Recommendations

- 3.1. Following our recent communication regarding outstanding exclusion fees, it should be noted that there has been some positive impact. **However, we propose to send a further reminder to schools with outstanding debts.**
- 3.2. While acknowledging that there is no explicit legal obligation, the Schools Forum emphasises the moral obligation for all Sheffield schools and trusts to settle any outstanding debts related to exclusion fees.
- 3.3. The introduction of these charges in the 2016/17 academic year aimed to address the challenges posed by a rising number of exclusions amid financial constraints. In response to the evolving funding landscape, the Schools Forum made a follow up decision to align the charges with national policy, reducing fees for subsequent years based solely on pupil-led factors.
- 3.4. It is noteworthy that the vast majority of schools and trusts in the city have honoured this arrangement by settling their outstanding debts, and we hope that a further reminder will serve as an encouragement to fulfil the moral obligation agreed upon by the Schools Forum.