

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

2617

Author:

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Department:

Children and Families

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Subject:

Unity Learning Centre - additional funding

Total Value:

£0.219m (Type: Revenue)

Decision Being Taken:

To provide Unity Learning Centre with £0.219m additional funding in 2016/17, to cover the deficit at 31st March 2016.

Reasons for the Decision(s)

In 2015/16, Unity Learning Centre received fixed place funding which was intended to cover the costs of internal staffing, plus top-up funding to cover the external provision costs. Unity had a significant carry forward from 2014/15 but it was agreed in advance that the majority of this would be used to contribute towards 2015/16 external provision costs, with top-up funding reduced accordingly. Pupil numbers were significantly higher than expected due to the increased rate of permanent exclusions. Whilst top-up funding for external provision costs was adjusted in-year to reflect the higher numbers, funding for internal costs did not increase as these were expected to be covered by the fixed place funding element.

The Learning Centre considered that the internal staffing needed to be increased to manage the additional pupils, beyond the level which had been anticipated by the previous Headteacher at the time of agreeing their original 2015/16 funding allocation. As Unity's brought forward balance was already being exhausted to contribute towards external provision costs, the Learning Centre no longer had this balance to support their in-year internal cost pressures. This resulted in the £0.219m closing deficit at 31 March 2016.

The 2016/17 funding level for Unity Learning Centre is predicated on considerable cost savings. Significant staffing reductions are being implemented from 1st September 2016 to achieve this. Current funding is not sufficient to allow scope for the Learning Centre to recover the prior year deficit.

Other Options Considered:	The Learning Centre is looking to academise with Westbury Woodlands Federation, with LA support . Paperwork is currently being submitted. If this decision is not approved it is likely that the academisation proposal will be withdrawn.
Background Papers:	None.
Published Works:	EIA published from Executive Board Report re Alternative Provision 19th January 2016
Affected Wards:	Citywide
Colleague / Councillor Interests:	None.
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	The role of Unity is to make provision for pupils who have been excluded from a mainstream school. This funding supports the effective provision for such pupils and aims to improve their engagement and educational outcomes so that they are more effectively engaged in education, employment or training, thus preventing/reducing criminal or anti-social behaviour
Equality:	EIA not required. Reasons: This proposal is linked to 2015/16 Alternative Provision arrangements which were the subject of a report to the Executive Board on 19th January 2016 and therefore an EIA has already been produced.
Decision Type:	Portfolio Holder
Subject to Call In:	<p>No</p> <p>The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.</p>
	<p>Person Consulted: Cllr Parbutt</p> <p>Consultation Date: 29/09/2016</p> <p>A delayed decision may jeopardise an academisation decision which will consequently result in significant additional costs for the council</p>
Advice Sought:	Legal, Finance

As identified elsewhere in this report, approval was gained at Executive Board on 19 January 2016 for up to £1.655m spend from the Statutory School Reserve (SSR) associated with alternative provision arrangements required during 2015/16 as a result of increased permanent exclusions. Authority was also delegated to the Portfolio Holder and Corporate Director for Children and Adults to approve additional spend over and above this amount from the SSR should this be required. Further the Executive Board report identified that such additional expenditure would be lawful provided this was done in accordance with NCC's Constitution, which is the purpose of seeking the current approval through the delegated decision system. Advice provided by Sarah Molyneux (Legal Services Manager) on 26/09/2016.

Approval was gained at Executive Board on 19 January 2016 for up to £1.655m spend from the Statutory School Reserve (SSR) associated with alternative provision arrangements required during 2015/16 as a result of increased permanent exclusions. Delegated authority for the Portfolio Holder and Corporate Director for Children and Adults to approve further spend if required was also received. Actual draw down of funding from the SSR for this purpose was £1.600m. The £0.219m proposed funding for Unity Learning Centre to cover their deficit at 31 March 2016 will take the final figure to £1.819m. This will take the uncommitted balance on the SSR to £3.983m.

The latest P5 outturn projection for Unity Learning Centre is a £0.171m deficit. The additional £0.219m funding would therefore result in the PRU being able to set a surplus budget.

Pupils at Unity Learning Centre access their KS4 provision offsite with alternative providers but there is a central team of Learning mentors and managers plus leadership and administrative staff. In 2015/16, Unity Learning Centre received fixed place funding which was intended to cover the costs of central staffing, plus top-up funding to cover the external provision costs. Top-up funding in the summer term 2015 was £0.174m lower than the cost of external provision for that term, reflecting the expectation, agreed in advance, that the majority of Unity's £0.195m balance brought forward from 2014/15 would be used to support 2015/16 provision costs.

At the time of setting the 2015/16 budget, it was anticipated that the number of pupils on roll at Unity Learning Centre would be 77 on average across the financial year. As a result of the increase in the rate of permanent exclusions, the actual average number of pupils was over 100 with 120 pupils on roll by the end of March. Top-up funding was provided in line with the increased numbers to cover the external provision costs. However, the Learning Centre considered that the internal staffing also needed to be adjusted to meet the demands of the additional pupils. Additional staffing over and above that assumed within the funding allocation included 4 FTE Learning Mentors, 0.5 FTE Attendance Officer, 0.7 FTE Administrative Assistant, 1.0 FTE Achievement Manager. Senior Leadership costs apportioned to Unity Learning Centre were also higher than anticipated within the original budget.

Internal costs were expected to be fairly static and adequately covered by the fixed place funding allocation. With the dramatic increase in pupil numbers, this was not the case. As Unity's brought forward balance was already being exhausted to contribute towards external provision costs, the Learning Centre no longer had this balance to support their in-year internal cost pressures. This resulted in the £0.219m closing deficit at 31 March 2016.

Numerous staffing reductions including the removal of all 10 Learning Mentor posts are being implemented from 1st September 2016 to achieve the cost savings required to set a balance in-year budget for 2016/17. The Learning Centre will not have sufficient scope within its current funding to recover the prior year deficit.

Advice provided by Kathryn Mair Stevenson (Finance Analyst) on 22/09/2016.

Signatures

Sam Webster (PH for Education, Employment and Skills)
SIGNED and Dated: 03/10/2016
Alison Michalska (Corporate Director for Children and Adults)
SIGNED and Dated: 30/09/2016