

Delegated Cabinet Member Key Decision Report

Decision Maker and Portfolio area:	Cllr Shaid Mushtaq Education, Early Years and Skills
Date of Decision:	11 November 2019
Subject:	Passporting funding to Oldham College for High Needs students who arrive from out of borough
Report Author:	Donna Lewis, Head of Inclusion & Post 16
Ward(s) Affected:	No

Reason for the decision:	<p>Oldham college has seen a 40% increase in the number of high needs students from other local authorities accessing their programmes. Funding for these students is passed to the local authority on a lagged model which we in turn pass to the college. In order to support the financial position of the college, and in the spirit of partnership, the proposal is for this session to transfer the lagged funding (equivalent £228k) in advance to ensure that the college can ensure sufficient funds are in place for the place funding (E2). In addition to this sum the college will receive £90k lagged funding for students they taught last session. It is important to note this is funding which comes into the LA from government to ensure home LA's/colleges are not disadvantaged financially by students from out of borough.</p>
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Summary:	<p>The High Needs Funding model has 3 parts: Element 1: c£4000 for all students (from ESFA) Element 2: £6000 for High Needs students (agreed by the LA, from ESFA) Element 3: Calculated per student based on needs and provision to support needs (from LA/High needs pot – paid in year)</p>
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The numbers of students from out of borough who attend Oldham college is highlighted below in the asterisk.:

- 17/18 (106 actual inc 11 from other LAs*)
- 18/19 (131 actual inc 15 from other LAs*).
- 19/20 (estimated 197 inc 38 from other LAs*).

To help the college manage the growth and prepare courses and an effective curriculum for out of borough students, the following options are set out.

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):

Option 1: Transfer the equivalent £228k to the college (which is ultimately ESFA funding) to support the additional E2 costs incurred as a result of the 40% increase in out of borough students, as per the ESFA funding model. If, in the unlikely event of the out of borough students' numbers changing through the course of the session, the LA could reduce the differential from the funding allocated in the following session to cover any reduction in passported funding, so there is no risk to the council resources.

Option 2: Maintain the funding on a lagged basis. This weakens the financial position of the college during a period of increased demand from high need students and does not reflect a spirit of partnership which both parties have fostered.

Recommendation(s):

The preferred decision is option 1. This acknowledges the growth in places for high needs students in preparation for the 2020/21 academic year and provides the college with some financial stability in supporting this year's growth in high needs students.

Implications:

What are the financial implications?

The payment of £228k for 38 students to the college to support the additional E2 costs will not impact on the DSG deficit as this a positive adjustment to lagged funding which comes into the LA to ensure home LAs are not disadvantaged financially by students from out of borough in 2020-21 financial year

Liz Caygill

What are the **procurement** implications?
*What are the **legal** implications?*

None. Dan Cheetham

None. Colin Brittain

*What are the **Human Resources** implications?*

No Implications. Andy Collinge

Equality and Diversity Impact Assessment attached or not required because (please give reason)

Not required.

*What are the **property** implications*

None. Andrew Hall

Risks:

Co-operative agenda

Inclusive economy – providing young people with SEND with the opportunity to develop their skills to improve their chances of securing employment and be part of their local community.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution?

Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget?

Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council?

No

Reason why this Is a Key Decision

- (1) to result in the local authority incurring expenditure or the making of savings which are, significant (over £250k) having regard to the local authority's budget for the service or function to which the decision relates; or

The **Key** Decision made as a result of this report will be published within **48 hours** and cannot be actioned until **five working days** have elapsed from the publication date of the decision, i.e. before **enter date**, unless exempt from call-in.

This item has been included on the Forward Plan under reference **enter Key Decision Document reference**.

List of Background Papers under Section 100D of the Local Government Act 1972:

There are no background papers for this report

Report Author Sign-off:	
Donna Lewis	
Date: 12/11/19	

In consultation with

(Relevant Executive Director/Director Andrew Sutherland Date: 12/11/19)



Merlin Joseph
Interim Director of Children's Services