

Subject Heading:**Proposal to change the funding of Olive Academy****Report Author:****David Allen – Strategic Finance Manager****Eligibility to vote:****All members****SUMMARY**

The Local Authority has received a request from Olive Academy to increase the charges for KS3 and KS4 placements and also to increase the total place number.

RECOMMENDATIONS

To consider an increase in the funding to be allocated to Olive AP Academy.

REPORT DETAIL

At the time that agreement was reached with Olive AP Academy to provide alternative provision for KS3 and KS4 students with effect from 1st September 2016 the funding was agreed as follows and included in the Transfer Agreement.

KS	Category	Places	Per place	Per pupil	Total charge	Total funding
KS3	Exclusion	6	£10,000	£5,000	£15,000	£90,000
KS3	Intervention	19	£10,000	£5,000	£15,000	£285,000
KS4	Exclusion	20	£10,000	£8,000	£18,000	£360,000
KS4	Intervention	15	£10,000	£6,000	£16,000	£240,000
Total		60				£975,000

In addition, AWPU deducted from the budget of an excluding school would be passed to Olive based on the AWPU pro rata to the date of exclusion and the end of the financial year (or normal date of leaving for the student's peer group).

Olive has reviewed its costs based on a revised curriculum model and staffing structure and the total funding allocated by the EFA (place funding), LA (top up), pupil premium and Education Services Grant is insufficient to meet its costs.

A request has therefore been made to increase the place number by four and the top up funding from the Local Authority.

KS	Places	Per place	Per pupil	Total charge	Total funding
KS3	24	£10,000	£8,000	£18,000	£432,000
KS4	40	£10,000	£8,000	£18,000	£720,000
Total	64				£1,152,000

This will be a reduction of 1 KS3 place and an increase in 5 KS4 places, a net increase of 4. The increase in funding would be £177,000 which would be allocated from the High Needs Block. Once the place number increase is accepted by the EFA, £40,000 of this would be met from the EFA leaving a cost to the High Needs Block of £137,000.

The revised funding would fund 3 classes of 8 students per class in KS3 and 5 classes of 8 students in KS4.