

Date: 23 September 2014

FUNDING OF SPECIALIST SUPPORT SERVICES FOR SENSORY IMPAIRMENT IN FE COLLEGES

1. INTRODUCTION

- 1.1 This briefing has been prepared in response to a question raised by a number of service heads about the role and funding of specialist sensory support services in supporting post-16 students in college. In particular it addresses the question *“with the changes brought about by the Children and Families Act 2014 that bring post-16 provision within the SEN framework, should services be provided to FE colleges on the same basis as schools”*. This paper sets out the context and key factors to bear in mind when considering this question.
- 1.2 In recent years the provision of specialist support for students with sensory impairment (SI) has in general been paid for by FE colleges using two funding sources:
- A) Funding via national funding formula (i.e. programme budget plus funding for disadvantage) which would have funded support for students with low level learning difficulties or disabilities
 - B) High needs funding for students with high level needs. In many cases the support and level of funding required was identified through a Learning Difficulty Assessment (LDA)
- 1.3 Colleges could decide whether to make in-house provision themselves or purchase support from external providers such as local authority specialist support services.
- 1.4 Because the Children and Families Act 2014 brings post-16 provision within the SEN framework, questions are being raised about whether FE colleges should receive support from specialist sensory support services on the same basis as schools.
- 1.5 Local Authorities have 3 options:
- i. Continue with existing arrangements as described above
 - ii. Provide services to FE colleges on the same basis as they do for schools
 - iii. Look to develop a more strategic approach to commissioning places for students with SI in FE colleges

2. CONTINUE WITH EXISTING ARRANGEMENTS

- 2.1 Under these arrangements FE colleges would continue to:
- A) Receive from the Education Funding Agency (EFA) their national funding formula budget (i.e. programme budget plus funding for disadvantage) from which they would fund the additional support required for students with low level learning difficulties or disabilities
 - B) Receive high needs funding for students with high level needs. In most cases the level of specialist support required would be identified in the EHC Plan¹ or the LDA and reflected in the level of funding the

¹ The SEND Code of Practice states that the Plan must set out the provision required *“Provision **must** be detailed and specific and should normally be quantified, for example, in terms of the type, hours and frequency of support and level of expertise, including where this support is secured through a Personal Budget. Provision **must** be specified for each and every need specified in section B. It should be clear how the provision will support achievement of the outcomes”*.

college receives. For each high needs student with SI the college would receive “place plus” funding. The place funding element (national funding formula element plus £6,000 additional needs element) would be paid by the EFA and the LA would provide top up funding for any additional cost over and above the place funding. Within this amount there would be an element to pay for specialist support required.

Colleges would then be responsible for paying for the specialist support required (such as specialist teaching support or equipment).

3. PROVIDING CENTRALLY FUNDED SPECIALIST SUPPORT SERVICE TO FE COLLEGES

3.1 NatSIP is aware that some FE colleges have suggested that the changes brought about by the Children and Families Act 2014 mean that there should be parity with schools (i.e. specialist support services should be provided to colleges on the same basis as they are for schools).

3.2 Although this does have some logic it is important to bear in mind that:

- a) There is not parity of funding between the two sectors. First, LAs do not have responsibility for funding support in FE to students who require support who have lower levels of SEN. Funding for this comes from the EFA and is outside the Local Authority’s Dedicated Schools Grant. (i.e. it would be inappropriate to use DSG for this purpose). Secondly while schools have to pay for the first £6,000 of the additional cost of high needs pupils, FE colleges receive the full amount of money required to pay for the additional support needed through the “place plus” funding mechanism.
- b) The changes brought about by the Children and Families Act does not significantly change LA responsibilities in some key areas. For example:
 - The Education and Skills Act 2008 places a duty on local authorities to promote participation in education or training of young people in their area. *“This is particularly important in ensuring that learners who need support to access education and training are appropriately assessed and supported by local authorities in fulfilling their duties under the ESA 2008”*.
 - The Apprenticeships, Skills, Children and Learning Act 2009 transferred responsibility for the planning, commissioning and funding of education and training for 16-19 year olds (and 19-25 for learners with a Learning Difficulty Assessment) from the Learning and Skills Council to local authorities. Local authorities for some time have been responsible for all learners aged 19-25 who have a Learning Difficulty Assessment regardless of whether the Action Plan identifies that their needs can be met at a general FE college or a specialist college.
 - Section 139A of the Learning and Skills Act 2000 placed a duty on local authorities under a duty to arrange for a Learning Difficulty Assessment to be conducted of all persons in respect of whom they maintain a statement of Special Educational Needs and whom they expect to leave school to receive post-16 education, training or higher education. Local authorities also had the power to undertake a Learning Difficulty Assessment for those young people who would benefit from one.

Hence given the significant responsibilities LAs already had prior to 2014 for assessment, planning and funding post-16 students with sensory impairment, they may feel with that the introduction of the C&F Act in itself is not sufficient reason for changing policy with regard to the provision of specialist support services.

3.3 Paragraph 2.3 above gives reasons why LAs may feel that maintaining current arrangements is appropriate.

3.4 However, if LAs are thinking of providing a centrally funded service it is very important to consider the implications. In particular:

- a) The LA would need to conduct a needs analysis to see how many students with sensory impairment require support and the overall level of support required for these students (aged 16-25 years) taking account of demographic changes such as the raising of the participation age. This would give an indication of the overall resourcing requirement which could be very substantial;
- b) It would then need to consider how to fund this requirement:
 - (i) The provision of centrally funded specialist services would represent a transfer of funding responsibility from FE colleges to the LA. This should therefore be reflected in the level of top up funding required by colleges and the resulting savings could be used to fund an expanded centrally funded team. The funding of the service could then reflect demographic changes;
 - (ii) Some LAs may wish to explore expanding the remit of the specialist service without expanding the size of the team. However, this could represent a very substantial increase in caseload and it would represent a service cut to children and young people with sensory impairment and to schools and early years settings. LAs considering this as an option need to bear in mind:
 - The implications for pre-16 children, the support they received and impact on outcomes
 - The implications for early intervention and preventative work including the possibility of ending up with a higher number of post-16 learners with SI than would otherwise be the case
 - The legal requirement under the Equality Act 2010 to consider how this impacts on the local authority's public sector equality duties to "advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it" (including the process required to demonstrate the impact has been properly assessed)
 - The views of schools and early years settings on the reduction of service levels on children on their roll with sensory impairment at its implications

4 THE DEVELOPMENT OF A STRATEGIC APPROACH

4.1 The DfE and EFA are encouraging Local Authorities to work together to develop a more strategic approach to the commissioning of post-16 provision and some local authorities are beginning to consider this for students with SI.

4.2 In its funding guidance² the EFA states *"we are changing the way post-16 places are planned within the high needs funding system. Previously, post-16 places have been planned on a residency basis (by the local authority in which the student is resident) but for the 2015/16 academic year these places will be planned on a location basis (by the local authority in which the institution is located), to align with pre-16. For 2015/16 academic year places authorities will therefore report on post-16 high needs places located in institutions within their boundaries, rather than places occupied by pupils and students resident in the authority we think the advantages of this change will simplify and benefit the system as a whole. This change will support the collaborative approach to high needs funding that we want to encourage across local authority areas". This change only applies to place funding. Top-up will continue to be funded by the local authority in which the student is resident.*

² 16 to 25 high needs funding arrangements: additional information academic year 2014 to 2015 and preparation for 2015 to 2016. May 2014
Updated August 2014 – Version 5.0

- 4.3 Given the size and catchment areas of a number of FE colleges there may be opportunities for the host authority in collaboration with neighbouring LAs to commission specialist resourced provision for students with sensory impairment in a similar way to which many LAs commission and fund pre-16 specialist resourced provision in schools. Under such an arrangement the service level agreement (or specification) and contractual arrangements would set out the specialist support to be provided and how it would be funded.
- 4.4 The advantage of such an approach is the potential stability it brings to commissioners, providers and students and the potential for economies of scale and efficiencies to the commissioning process.

Appendix 1:

Approaches to the funding of specialist support services for sensory impairment in 2013

In 2013 25 local authorities gave NatSIP details of how specialist support services were funded in post-16 establishments. The details are summarised below. The table shows that in the majority of cases post-16 establishments fund support from their own budgets. Most establishments make in house provision but in just over 20% cases the establishments purchased support from the LA. In some cases LAs provided centrally support at no charge but the level of support and the circumstances it is provided is unknown.

