



Cabinet (Resources) Panel

11 September 2013

Report Title	PLACEMENT OF YOUNG PEOPLE WITH LEARNING DIFFICULTIES AND / OR DISABILITIES IN DAY AND RESIDENTIAL EDUCATIONAL INSTITUTIONS	
Classification	Public	
Cabinet Member with Lead Responsibility	Councillor Page Schools, Skills and Learning	
Key Decision	Yes	
In Forward Plan	Yes	
Wards Affected	N/A	
Accountable Strategic Director	Tim Johnson, Education and Enterprise	
Originating service	Schools, Skills and Learning	
Accountable officer(s)	Paul Doherty	Head of Skills Development
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Recommendation(s) for action or decision:

The Cabinet (Resources) Panel is recommended to:

- approve that, in consultation with the Cabinet Member for Schools, Skills and Learning, the Head of Service for Skills Development is given delegated authority to confirm and sign contracts for the funding of day and residential education and training placements for 16 – 25 year old learners with a learning difficulty and/or disability.

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

- the changes to the funding of education provision for young people aged 16 – 25 with learning difficulties and/or disabilities, which take effect from September 2013.

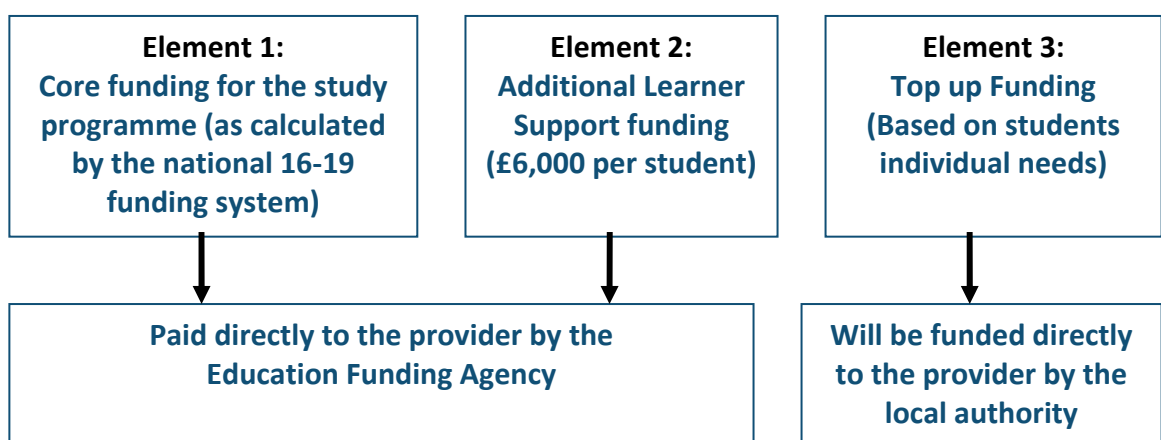
1.0 Purpose

The purpose of this paper is to:

- 1.1 request that Cabinet (Resources) Panel approve in consultation with the Cabinet Member for Schools, Skills and Learning that the Head of Service for Skills Development is given delegated authority to confirm and sign contracts for the placements of learners aged 16 - 25 with high needs in day and residential education and training institutions
- 1.2 brief Cabinet (Resources) Panel on the changes to the Council's responsibilities for funding education and training for young people aged 16 – 25 with a learning difficulty and /or disability.
- 1.3 brief Cabinet (Resources) Panel on the value of the Post 16 high needs allocation from the Education Funding Agency (EFA) for Wolverhampton LA

2.0 Background

- 2.1 In 2012 the government announced new arrangements for funding educational provision for pupils and students with high level needs. These arrangements have been introduced from April 2013 for schools and academies, and from August 2013 for further education (FE) institutions and Independent Specialist Providers (ISPs).
- 2.2 Local Authorities have a statutory duty under the Apprenticeships, Skills, Children and Learning Act 2009 (ASCL Act 2009) in relation to securing suitable education and training provision to meet the reasonable needs of learners with learning difficulties and/or disabilities who are over the compulsory school age but under 25 and are subject to a learning difficulty assessment.
- 2.3 Under the reformed approach to high needs funding, all institutions offering post-16 high needs provision including mainstream Further Education (FE) colleges and Independent Specialist Providers (ISPs) will be funded in the same way, as shown in the diagram below:



- 2.4 The term “high needs” means young people who have been assessed as requiring more than £6,000 additional learning support in order that they are successful in their programme of study. The new High Needs Funding model comprises three elements:

Element 1: This is the core funding to cover the cost of the delivery of an individual's study programme. **This is paid by the EFA, directly to providers** based on the number of students enrolled during the previous academic year (this is known as ‘lagged student numbers’) and the current national 16 – 19 funding formula.

Element 2: This is additional education support funding of £6,000 per high needs student. **This is paid by the EFA to providers** based on the ‘strategic commissioning’ by the local authority of 16-25 year old residents with High Needs predicted to be accessing post-16 education and training.

Element 3: This is additional funding over and above the core education funding (Element 1) and the additional education support funding (Element 2) and is agreed on a per-student basis by the relevant LA. The Element 3 ‘top-up’ provides funding to meet the total cost of the education provision required by a learner based on the learner's assessed needs. The cost of funding placements over £6,000 is agreed between the LA and the education provider and is **paid directly to the provider by the LA** from the High Needs Block Grant which is part of the LA's Dedicated Schools Grant.

- 2.5 In order to meet this statutory responsibility within the Element 3 funding allocation received from the EFA, the City Council must set up contracts, payments and performance management for those FE institutions and ISPs at which we place any young people requiring Element 3 funding.

3.0 Implications for the City Council

- 3.1 A learner's home local authority is responsible for funding provision for residents regardless of where in the country they may study. On this basis, in December 2013 the EFA provided an allocation of £1.1million for Wolverhampton's High Needs Block Grant (Element 3). This allocation was based on the planning assumptions made in September 2012 by the City Council of 189 learners who require high needs funding in FE or ISP provision in the 2013/14 academic year.
- 3.2 It should be noted that funding for FE and ISP provision is made on an academic year basis. Hence, the High Needs Block Grant allocation (£1.1million) notified in December 2012 is the financial year allocation for Post 16 funding (FE and ISPs) provision. However, providers in receipt of Elements 1 and 2 funding, will have received notification of their full academic year allocation for Elements 1 and 2 in March 2013 with the April to July 2014 Element 3 to come from the 2014/15 financial year allocation.
- 3.3 The number of post 16 learners in FE and ISP settings, eligible for funding under each element, is set out below:

Post 16 Setting	No. of learners	Funding value (Element 3) 2013/14 Financial year	Funding value (Element 3) 2013/14 Academic Year
FE	172	£476,670	£715,000
Training Providers	2	£9,440	£14,160.00
ISP	15	£470,037	£705,055.00
Total	189	£956,147	£1,434,215.00

**The above costs are subject to change following in year applications and adjustments*

- 3.4 Based on experience from previous years, late applications are likely to be made by young people with high needs for FE or ISP places and therefore, a small contingency will be made within the budget.
- 3.5 Wolverhampton learner placements for the 2013/14 academic year is summarised below:

<u>Provider Name</u>	<u>Number of placements in 2013/14</u>
Glasshouse College	4
Derwen College	2
National Star College	3
Henshaws College	1
Royal National College for the Blind	2
Queen Alexander College	1
Strathmore College	1
Beaumont College	1
City of Wolverhampton College	163
Walsall College	5
Trinity Training	2
Dudley College	4
<u>Total</u>	<u>189</u>

4.0 Financial implications (CF/23082013/Y)

- 4.1 The notified funding allocation for the high needs block grant is £1.1million for the financial year 2013/14. The current confirmed learner numbers will result in a financial year spend against this allocation of £956,000. The balance of funding will be held for late applications. The grant funding for the high needs block is ring-fenced for the educational provision of pupils and students with high level needs. The Council is required to enter into contract agreements with educational institutions to receive funds for placements for learners with learning difficulties and/or disabilities.

5.0 Legal implications

[FD/28082013/E]

- 5.1 The City Council is required to enter into contracts with FE and Independent Specialist Providers. The contracts to be used have been developed by the Local Government Association in consultation with LA's, NATSPEC (The Association for National Specialist Colleges, ADCS (Association of Directors of Childrens Services) and NASS (National Association of Special Schools) and although not compulsory, they are being used as standard by LA's across the West Midlands.
- 5.2 The contracts have been reviewed by the Wolverhampton legal team and they have confirmed that they are acceptable.
- 5.3 The delegations to employees proposed in this report will require an amendment to the Council's Constitution and Schedule of Delegations

6.0 Equalities implications

- 6.1 There are no further implications for the Council's Equal Opportunities policies arising from this report.

7.0 Environmental implications

- 7.1 There are no direct environmental implications arising from this report.

8.0 Human resources implications

- 8.1 There are no direct HR implications arising from this report

9.0 Schedule of background papers

- 9.1 Cabinet (Resources) Panel OPEN EXECUTIVE DECISION ITEM (AMBER) – 23rd July 2013. Grant agreement with the education funding agency for 16 – 19 Education and Training Funding for Academic Year 2013-14