

**7 December 2016**

**POST 16 HIGH NEEDS FUNDED PLACES AND TOP UP FUNDING AT  
COLLEGES**

*Report of the Director of Children's Services*

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**1. Purpose**

- 1.1 To update the Forum on the budget pressures for High Needs provision in colleges in 2017-18.

**2. Summary**

- 2.1 This paper provides a summary of the pressures and the reasons for requesting an increase in the budget for 2017-18.
- 2.2 The High Needs sub group considered the recommendation for increased high needs college places and top up funding in November. It supported the increase of 11 places but requested further information to be presented to the Forum regarding the reasons for the increase in High Needs top up funding (£243k in 2017-18).

**3. Recommendations**

- 3.1 The Forum is asked:
- (i) To endorse a net 11 additional High Needs places across the four FE colleges at a cost of £44k in 2017-18;
  - (ii) To consider an increase of £243k in the top up budget for Post 16 high level needs in 2017-18.

**4. Background**

- 4.1 The majority of the High Needs Service (HNS) Post 16 budget (75%) is spent on placements in Hertfordshire's 4 Further Education (FE) colleges. The remaining 25% is spent on Independent Specialist Provision (ISP) and Over the Border (OTB) placements.

- 4.2 High Needs Service funding of Hertfordshire colleges is affected by three key variables; hourly rates, volume of support for each student and demand for places.
- 4.3 The Post 16 High Needs Student Budget (referred to as 'Element 3') funds additional learning needs of young people attending further education colleges or Independent Specialist Colleges (ISPs). These additional needs are assessed by the colleges and reviewed by the Local Authority Post 16 High Needs Funding Panel where a decision is made whether or not to provide funding. The High Needs Dedicated Schools Grant (DSG) funding for this budget in 2016/17 is £4,989,589.
- 4.4 An initial estimate indicated a potential budget pressure in 2016/17, but this has been significantly reduced. The process of placements requires the individual agreement at Post 16 HNS Funding Panel and then this is moderated with each college once we have final numbers and class sizes. In addition, in November it is common for colleges to make in year adjustments. This has enabled them to undertake a final reconciliation which adjusts for those students who did not start and any that left early. Any adjustments may also be made to support levels once the learners have completed their first half term on programme and the colleges are more confident of their support needs.

## 5. 2017-18 Budget Pressures

- 5.1 The proposed planned numbers for 2017-18 have been re-profiled to reflect actual learner numbers for 2016-17. Included in these numbers is an increase of non-Hertfordshire learners that attend Hertfordshire FE Colleges. This is due to the proximity of the colleges to the learners' homes.
- 5.2 An increase of 11 places and change in numbers was agreed and these have now been submitted to the DfE in the High Needs Return. The cost of these additional places is £44k in 2017-18. See table below:

	2016-17 allocated place nos	Proposed Nos 17-18	Variance
Hertford Regional	63	81	18
North Herts	74	100	26
Oaklands	208	201	-7
West Herts	96	70	-26
Total	441	452	11

	2017/18	FYE
Cost of 11 Places	£ 44,000	£ 66,000

5.3 In addition to this, a pressure of £243k has been identified going forward into the financial year 2017/18. This is made up of the following and summarised in the table below

- An increase in learner numbers evidenced by the demographic changes in pupils leaving our SLD schools. It is estimated that there will be a further 12 learners who will require High Needs support. The average cost of a placement in the Further Education (FE) Colleges 2016/17 is £9,016 p.a.;
- An increase in the complexity of learners leaving our SLD schools is resulting in more learners requiring very High Needs support. There were 174 new college learners in 2016/17. The anticipated increase in 2017/18 of 12 gives a total of 186 for 2017/18. Typical courses these learners would be attending (e.g. Focus courses at Oaklands) cost on average £16,494 more per annum. Currently, 4% of the learners attend these courses;
- A pressure to provide further Independent Specialist Provision (ISP) placements, demonstrated by an increase from 17 placements (continuing and new learners) in 2015/16 to 21 placements in 2016/17. The average cost of these placements in 2016/17 is £61,961. We estimate an increase in ISP placements of 3 for the academic year 2017/18.

	No Students	Cost per student	Academic Year Cost 2017-18	Financial Year Cost 2017-18
		£	£	£
Increase in learners	12	9,016	108,192	63,112
Increase in complexity (4% of 186 learners)	7.4	16,494	12,275	71,584
ISP Placements	3	61,961	185,883	108,432
Total				<b>243,128</b>

5.4 There has been an increase in the number of leavers from SLD schools and this trend will continue over the coming years. Also it is anticipated that there will be more requests for extensions due to EHCP in Post 19 education. The requirement for students Post 19 to have an EHCP to access high needs funding will increase requests and the effect of this has already been seen this year.

5.5 The complexity of students is rising generally and colleges have increased their capacity to offer places to more complex young people. Oaklands College for instance has continued to expand the range and numbers of their Focus programme for young people with autism, and all colleges are now participating in Herts Steps training to enable them to effectively support students with behaviour that challenges. In addition 2 colleges have now achieved the National Autism Society accreditation.

- 5.6 Although the placement panel and moderation process is robust it is expected that increasing numbers will add further pressure in 2017-18. To prepare for this a further deep dive review of all continuing and new learners for 2017-18 will be undertaken early in 2017 to mitigate the pressure that has been identified.

## **6. Conclusion**

- 6.1 The Forum is asked to note the pressures and to agree the recommendations in this report.