

High Needs Post 16 Data Analysis and Funding Report

Purpose of the Report

1. To report to Schools Forum on the analysis of activity and spend on the Post-16 high needs element of the High Needs Block.

Background

2. Prior to the academic year 2013/14 post-16 funding went directly from the Education Funding Agency (EFA) to providers. The EFA have not released any information on placement costs or total spend for this period.
3. Post-16 high needs funding became the responsibility of the LA from September 2013. To support this, funding was transferred into the Dedicated School Grant (DSG) High Needs Block (HNB). The additional allocation for Wiltshire in the financial year 2013-14 was £3.542m although it is understood that significantly more was spent on placements at that time.

Main Considerations

Increase in number of high needs learners:

4. There has been a significant increase of 51% in the number of post-16 high needs learners over the last three years (from 247 to 373). This increase can be attributed to a number of factors, including;
 - The raised participation age
 - A better understanding of high needs
 - Better record keeping by local colleges
 - The reforms of the Children and Families Act 2014, allowing for some high needs learners to remain in education up to the age of 25.
5. Whilst there are likely to be increases in the numbers of high need learners over the next two to three years it is anticipated that the rise will not be as steep. Current projections for 2016-17 are 388 (an estimated 57% increase since 2013-14).

Decrease in overall spend:

6. However, despite this increase in numbers of high need learners, the total amount spent on post-16 high need provision has decreased by 30% (from £6,199,989 in 2013-14 to £4,356,810 in 2015-16), a saving of £1,843,179.

7. The projection for the year 2016-17 is a further 17% decrease, bringing spend down to £3,607,633; a projected saving of £2,592,356. (Please note these totals are for academic years)

8. These savings can be attributed to

- The introduction of outcomes-based commissioning

The commissioning team have worked closely with local colleges and providers to support them in developing their offer in line with local commissioning requirements, and to improve quality. All local providers included within the Wiltshire Post 16 Local Offer are now rated good or outstanding.

- The implementation of banded funding across local colleges and some independent sector providers (ISPs).

Post-16 students are now funded on the basis of the banded funded mechanism agreed for all school places (where previously individual packages and fees would have been negotiated for each student). Banded funded was initially introduced for students at Wiltshire College, but has now expanded to include other FE colleges and three local ISPs. This has allowed both the local authority and providers to significantly reduce the bureaucracy that previously surrounded Post-16 placements, enabled speedier placement decisions, and made it significantly easier for learners and their parent carers to exercise choice and control.

- Increase in learners attending local colleges

As a result of outcomes-based commissioning and increased quality at local providers there has been a 119% increase in the number of learners attending local provision (from 142 learners in 2013-14 to the current projection of 311 in 2016-17).

There has been a decrease of 52% in the number of learners attending ISPs (from 67 students in 2013-14 to a projection of 32 for the next academic year); and a decrease in the number of residential placements from 43 to 12 during 2015-16. It is anticipated that there will be a further decrease in the numbers of ISP placements in the year 2016-17.

- Negotiated decreases in the cost of ISP

In the academic year 2013-14 the total cost of ISP was £3,779,940 for 67 learners (an average of £56,417 per learner). The projection for the next academic year is £768,391 for 32 learners (an average of £24,012).

Only four new ISP placements have been agreed for 2016-17, one based on learner and parental choice (costs being comparable to local provision), one based on location (nearest specialist provision with a small cost increase), and two cases settled before reaching tribunal (based on case law and Barrister advice).

2016-17 and Beyond:

9. Whilst the team will continue to explore every opportunity to reduce costs it is not anticipated that any further savings can be made across local colleges and ISPs in the foreseeable future.
10. Learner placements in independent special schools (ISS) are a continued cause for concern. Over the past three years the number of high needs learners in Post-16 ISS has increased slightly (from 38 in 2013-14 to 45 in 2015-16). For the next academic year 14 Post-16 placements have been agreed, all 14 learners had been placed in these providers prior to the age of 16. Typically Post-16 places in ISS are agreed so that learners remain with their peers and in established social/ friendship groups. Placement in an ISS pre-16 makes transition to Post-16 provision which is part of the local offer less likely, and severely restricts capacity to negotiate fees for Post-16 provision.
11. Local specialist school provision capacity is currently severely restricted for a number of reasons, including
 - Lack of places in special schools
 - Lack of the right places, that is places that meet identified demand
 - Distance to travel is often a barrier to attendance at a local specialist provision

The key to managing spend within the high needs block is to ensure that the right local provision is available to high needs learners across the sector. A reduction in ISS placements will, in itself, do much to ease the pressure on the budget, and will also facilitate, indirectly, a reduction in the number of Post-16 high needs placements made as a consequence of a pre-existing ISS placement, further easing pressure.

Proposals

12. Schools Forum is asked to note this report.

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