

Report to: Schools' Forum

Date of meeting: 12 July 2024

Report By: Carolyn Fair

Title: High Needs Funding for FE Providers

Purpose: To agree the uplift for Further Education College EHCPs top-ups (Element 3) for the 24/25 academic year.

Recommendations:

That Schools' Forum agrees a 3.4% uplift on all areas of all areas of Element 3 hourly rates in FE Colleges for the 24/25 academic year

1. Background

- 1.1 This report should be read as a follow-on to the report that was submitted to Schools' Forum on 10 May where it was noted that the work to look at an uplift to Element 3 (top-up) for FE providers was being considered separately. This report sets out the additional recommendations.
- 1.2 As part of the DfE SEND and AP Change Programme, East Sussex has been leading work with Post 16 colleges to look at different ways of commissioning and funding provision for learners with SEND across Sussex. As LAs across Sussex place children with EHCPs in East Sussex colleges, it was important to involve them in discussions around both funding uplifts for 24/25 and in terms of funding arrangements for 25/26 onwards.
- 1.3 It is acknowledged across the three Sussex LAs that we want to move to a better way of commissioning and funding provision for learners in FE institutions from 25/26 onwards. Currently, funding arrangements for provision is focussed, predominantly, on the hourly rate of different elements of support provided to learners with EHCPs. Although this has a strong focus on the costs associated with individual children, this does not support commissioners (LAs) nor providers (FE Colleges) in long-term planning and funding of provision. Furthermore, it creates an annual process of agreeing costs which is bureaucratic and time-consuming.
- 1.4 A dedicated Sussex-wide partnership group is looking at the longer-term arrangements for the commissioning of provision, which will make recommendations to Schools Forum in the autumn for the longer-term funding of Post 16 provision. This report, therefore, focuses on increases to the funding for 24/25 only.

2. Supporting Information

- 2.1 In 2017/18, East Sussex worked with LAs across the Southeast of England to develop funding arrangements for Post 16 provision with a view of creating more parity with how institutions were funded across the region. As part of this work, an uplift to funding for FE Colleges was agreed. There have been no changes to the funding of this provision until last year.
- 2.2 In 23/24, East Sussex considered information provided from FE colleges in relation to costs of provision and agreed the following uplifts to hourly rates of provision:
- 4.5% on the LSA specialist hourly rate
 - 3.57% on the instructor /unqualified teacher rate
 - 20% on the Qualified Teacher
 - 5.26% on the Dyslexia/Dyspraxia/Autism Teacher support Lv4 and above
- 2.3 For mainstream schools, there was an increase in top-ups for pupils with EHCPs in September 2018. This was, again, reviewed in 2021 when there was a significant change in the banding processes and associated costs. There have been no changes to mainstream school top-ups until the 3.4% uplift agreed by Schools Forum in May 2024. There have been more frequent changes to Special School top-ups since September 2018, but these have not always realised increases for all schools. There have been top-up increases in 2022, 2023 and 2024 for Special Schools as a result of prescribed elements within our HNB settlement (as outlined in the May report).
- 2.4 It has been agreed that we will be moving to a more consistent and transparent process for the consideration of annual top-ups for all state-run providers that ensures affordability for the High Needs Block and supports the commissioning of provision that meets the needs of learners across the county. As agreed at Schools' Forum in May, work is already underway to review the costs to Special Schools and align the mainstream matrix with associated costs in that sector; work with FE Colleges will also follow.
- 2.5 In advance of this, and following on from the broader discussions that have been held through the High Needs Block Subgroup, and Schools Forum, a comparable approach to funding 24/25 provision across all state-run providers seems the most appropriate way forward.
- 2.6 So as to ensure that there is time to all providers to plan budgets for next year, we will endeavour to ensure that recommendations for future uplifts are brought to Schools' Forum in a timely manner, and at the same time for all state-run providers.

3 Recommendations

- 3.1 In light of the pressures on both the HNB and FE providers in meeting the needs of learners with EHCPs, it is recommended that Schools' Forum agrees a 3.4% uplift on all areas of Element 3 hourly rates in FE Colleges. This would be in line with that agreed for special and mainstream schools for 24/25. The total impact on the HNB of this would be an additional £60k for the academic year.

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