

# Funding Guidance 2010/11: Additional Learning Support

It updates and replaces for 2010/11 the former Learning and Skills Council (LSC) Funding Guidance in respect of Additional Learning Support.

**Of interest to local authorities, providers and other stakeholders involved in managing and delivering YPLA funded provision**

June 2010

Version 1b (paragraph 11 slightly amended (shown in bold) to improve clarity and paragraph 13 amended to update links to YPLA ALS costs forms).

**For information**

# Contents

## Executive Summary paragraph number

<b>1 Introduction and Background</b>	<b>1</b>
Definition of ALS	4
Learner eligibility for ALS	5
Funding Formula and distribution of ALS funding	9
ALS Costs Form(s)	13
School sixth forms	20
Recording ALS on the ILR	21
Thresholds and ILR recording	27
Defining the Principles of Use for ALS Funding	30
Equipment costs and depreciation	41
ALS and reconciliation arrangements for providers making ILR returns	44
Costs above £19,000 - all providers	46
Advice on Initial Assessment of Learning Support Needs	48
Compliance Evidence of ALS	53

## Annexes

A: Guidance on Completing the ALS Costs Form for Providers	
All Providers	1
Initial Assessment of ALS Needs	5
Costing ALS	11
Detailed Costing and Compliance Advice for Providers	13
Standard Class Size for Small Class Additional Learning Support	31
B: Additional Learning Costs Forms (to be added in Version 1a in June/July 2010)	

# Executive Summary

## Funding Guidance 2010/11: Additional Learning Support

This document sets out how the Young People's Learning Agency (YPLA) funds additional learning support for young peoples learning from 2010/11.

This document supersedes previous LSC Funding Guidance 2009/10 paragraphs 162 and three of the LSC Funding Guidance 2008/09 books that explained Additional Learning Support for 2008/09 and 2009/10. These were *Principles, Rules and Regulations: Section 12 and Annex G; Funding Compliance Advice and Audit Guidance for Providers: Section 4 and Funding Formula: Section 3.*

This document is part of a series of funding guidance booklets, under the main heading YPLA *Funding Guidance 2010/11*. The book headed *Funding Regulations* has a full explanation of how each book fits within the full structure of YPLA Funding Guidance 2010/11. These booklets are available from the YPLA website at:

<http://www.ypla.gov.uk/aboutus/ourwork/funding/df/>

<b>YPLA Funding Categories for Additional Learning Support (ALS)</b>	
Costs below minimum threshold (£500 for full time learners or £171 for part-time learners)	No ALS as very low cost support is recognised in the value of programme funding
ALS costs up to £5,500	Treated as low-level (but high incidence) ALS and funded: - ALS Formula (100% for school sixth forms) - Mix of ALS Formula and Negotiations (all non school providers)
ALS costs between £5,500 and £19,000	Treated as High Cost (but low incidence) ALS (including learners aged 19-24) and funding negotiated based on individual learner costs ( <b>the low cost element for these learners is included in this category</b> ).
ALS costs over £19,000	ALS support agreed on an individual learner basis with only the additional costs above £19,000 negotiated.

## Introduction and Background

1. This document sets out the Young People's Learning Agency (YPLA) Funding Guidance in respect of Additional Learning Support (ALS).
2. As stated in companion document *Funding Regulations* the YPLA usually funds Local Authorities (LAs) who in turn fund providers to deliver YPLA funded provision. For all YPLA provision where funding is paid by the YPLA to LAs, providers should treat their LAs as their funding body in this guidance. The LAs will for all such providers be the first port of call for any queries on this guidance.
3. To simplify the YPLA Funding Guidance in all separate books or documents the single term 'providers' will be used instead of a constant reference to schools, academies, colleges and other providers. The individual type(s) will be used only where the Guidance applies only to that specific type(s) of provider. Similarly the single term 'learners' is used as a constant reference to guidance applying to all learners, students and pupils. The term 'pupils' is only used where the guidance solely relates to provision delivered in school sixth forms or academies.

### Definition of ALS

4. ALS is any activity that provides direct support for learning to individual learners, over and above that which is normally provided in a standard learning programme that leads to their learning goal. ALS is only available for learners on funded programmes. ALS is required to help learners gain access to, progress towards and successfully achieve their learning goals. The need for ALS may arise from a learning difficulty and/or disability, or from support required to access a progression opportunity or employment, or from literacy, numeracy or language support requirements.

### Learner eligibility for ALS

5. Learners must be on a programme of learning that is funded by the YPLA to be eligible to receive support from YPLA ALS funding and this also ensures all individual learners are also eligible under Section 2 of companion document *Agency Learner Eligibility Guidance*.
6. There is an assumption that a degree of ALS is built into providers' mainstream programme funding. Providers are expected to provide ALS to all learners with assessed and diagnosed ALS needs, but only where the costs of providing the ALS are in excess of the minimum thresholds will the funding be 'counted' as ALS. The minimum ALS expenditure so that providers should record funding for ALS on the Individualised Learner Record (ILR) is above £170 for part-time learners and £501 for full-time learners.
7. All learner-responsive providers receive a block ALS allocation that will form part of their allocation as detailed on the provision and funding

profile from which they will be expected to manage this budget to provide ALS for all eligible learners requiring support.

8. In addition to all eligible funded 16-18 learners the YPLA has agreed to take funding responsibility for learners aged 19-24 with significant ALS costs above £5,500. This requires a transfer of funds between government departments. The number of 19 to 24 year olds subject to this transfer has been calculated from previous ILR data on learners with ALS costs above £5,500. All those with ALS costs over £5,500 are treated as the responsibility of the YPLA and all other learners in this age bracket remain the responsibility of the Skills Funding Agency. The funds encompass programme costs, based upon adult rates, as well as ALS costs. These funds are ring fenced and have been allocated to providers as part of the mainstream allocation.

### **Funding formula and distribution of ALS funding**

9. In order to inform negotiation and future allocations providers will be required to plan their anticipated future numbers. This will be recoded via the 16-18 planning volumes document, and complemented by the data returned through the ILR and school census. This data may then be summarised to assist the planning process in other mechanisms such as excel spreadsheets detailing previous learner numbers by age and support bands.
10. For school sixth forms the ALS allocation is entirely based on the formula set out in Table 1. For other 16 to 18 learner-responsive providers, the ALS formula rates are lower because there is also a discretionary element to their ALS allocations.
11. For all other providers ALS is split into different parts under the funding methodology.
  - Calculated lower-level ALS: lower-level ALS meets the needs of those learners who require up to £5,500 of ALS support. 60% of lower-level ALS budget is allocated based on the low-cost ALS formula.
  - Negotiated lower-level ALS: 40% of the lower-level ALS budget is allocated through negotiation between providers and their funding body based on historic claim data and the provider's contribution to funding body strategies.
  - Higher-level ALS: higher-level ALS meets the needs of learners who require over £5,500 of ALS support. The maximum higher-level ALS for any single learner is £19,000. **For learners with costs above £5,500 all their ALS is included in the higher-level ALS budget.** The higher level ALS budget is discretionary between providers and their funding body based on historical ALS data and the number of high cost learners planned for the coming year, as evidenced through the 16-18 Planning Volumes document.

- Learners who require ALS support valued at over £19,000 are considered for additional support costs above £19,000 on an individual learner basis.
12. The allocations ALS per SLN rates for 2010/11 are shown in the tables below. They are shown in tabular format rather than as equations, but the underlying mathematical approach is equivalent. The amount of funding generated by the formula can be found by taking the ALS per SLN rate for each learner and multiplying it by the learner's total SLN for the year.

**Table 1: 16-18 learner-responsive ALS per SLN rates**

GCSE English and Mathematics		16-18 LR (School Sixth Forms)	16-18 LR (other providers) *
Points	Typical grades		
0-15	No passes	£1,076.40	£609.28
16-31	1 G grade	£779.28	£441.10
32-43	2 G grades	£531.34	£300.76
44-55	2 F grades	£377.65	£213.77
56-67	2 E grades	£251.62	£142.43
68-79	2 D grades	£153.26	£86.75
80-91	2 C grades	£82.55	£46.73
92-103	2 B grades	£39.50	£22.36
104 or more	2 A grades or better	£24.12	£13.65

\* Includes reduction for negotiated element

### ALS Costs Form(s)

13. Two versions of the ALS costs form are now available. The first reflects the recording arrangements for claims below £5,500 as part of the formula-based arrangements. This will be referred to as the optional ALS costs form (under £5,500). The second compulsory form will be used by providers claiming funding for all learners with costs above £5,500 and has been updated for 2010/11 to include the information requirements for learners with support needs over £19,000. This latter form is referred to as the ALS costs form (over £5,500). The new YPLA forms are available from 25 June 2010 (but providers who have already completed old LSC forms for 2010/11 are not required to transfer data to the new form). The forms are available at:

- [http://readingroom.ypla.gov.uk/ypla/ALS\\_Costs\\_Form\\_Below\\_5500\\_2010-11.doc](http://readingroom.ypla.gov.uk/ypla/ALS_Costs_Form_Below_5500_2010-11.doc)
- [http://readingroom.ypla.gov.uk/ypla/ALS\\_Costs\\_Form\\_Above\\_5500\\_2010-11.doc](http://readingroom.ypla.gov.uk/ypla/ALS_Costs_Form_Above_5500_2010-11.doc)

14. Individual ALS costs forms are not mandatory for learners requiring under £5,500 of ALS, as the majority of the allocation is formula-driven. The requirement to ascribe costs to individual learners is still current but the method of apportionment and recording can be prescribed by the provider.
15. Providers will want to ensure that they can evidence how ALS has been used within the principles of ALS and to the benefit of learners, to support their negotiations with their funding body for the negotiated element of ALS.
16. For all records over the £5,500 threshold, all providers are required to complete in full for each individual learner the ALS costs form (over £5,500), which details a breakdown of support costs. The form should be signed by a member of the provider's staff and by the learner, as far as is practicable. Where obtaining a learner's signature creates practical difficulties, the signature of the member of staff will be sufficient. Providers are asked to make a judgement about when only one signature is appropriate.
17. The ALS costs form must be completed at the pre-entry or entry stages of the learning programme, and must reflect, as accurately as possible, the anticipated ALS costs to be incurred during that academic year. As accurate a prediction as possible is vital as it will determine how the learner is recorded on the ILR (as a YPLA or a Skills Funding Agency funded learner). Providers will then need to keep the form updated during the year to reflect actual costs. For any learners requiring over £19,000 ALS support providers are required to update this form and submit invoices as part of their final claim.
18. The form is intended to provide a standard framework against which providers may assess the additional needs of learners with learning difficulties and/or disabilities and the costs of assessing these needs. The costs should:
  - be calculated net of any specific income received from other sources;
  - exclude the costs of staff training;
  - exclude support costs associated with learners enrolled at school and following link programmes with a provider.
19. Guidance on costing ALS and on the completion of the ALS costs forms is available at Annex A.

### **School sixth forms**

20. Schools have been allocated ALS funding using the formula, which is a contribution to their ALS costs. Schools are encouraged to follow the principles set out in this section in using their ALS allocation, although they are not required to record the use of that funding in detail.

## **Recording ALS on the ILR**

21. From 2010/11 providers are being funded using the ALS formula distribution methodology. Providers should ensure that their use of ALS funding reflects the broad principles set out in this guidance and recognise that the priority for all ALS allocations is the support of learners with ALS needs that match this guidance on eligible ALS expenditure. Only such eligible ALS expenditure should be returned through the ILR for 2010/11.
22. In recording and spending ALS expenditure, all providers are reminded to consider the spirit and intention set out in this Guidance, which is that ALS should only be recorded for the additional costs incurred in delivering provision to learners with identified wholly and exclusively additional individual support needs. ALS funding should not be recorded for any general running costs incurred by a provider and some of these differences are explained in this document.
23. Providers may decide to consider global recording methods and systems for learners below the £5,500 threshold to reduce the bureaucracy involved either in completing or in reducing the financial content in the individual costs forms for ALS learners.
24. This approach will enable the funding body and providers to have objective discussions in the future about the negotiated elements of ALS allocations and expenditure so resources continue to be targeted appropriately.
25. Providers who have negotiated a significant ALS allocation over and above their formula based allocation are expected to maintain sufficient ALS expenditure records to justify their higher negotiated allocations. For providers whose ALS allocation is close to their formula-based allocations, much simpler methods of recording and attributing ALS expenditure would be expected.
26. Where ALS funds are claimed for counselling, this should be in cases where counselling is necessary to enable learners to achieve their primary learning goal. In these cases, ALS funds may be recorded even where the provision made is confidential. In order to record the costs, the provider will need to make a manual adjustment to the final funding claim in the learner-responsive funding model. Where confidentiality is an issue, anonymised ALS forms can be prepared. These will need to justify the costs recorded.

## **Thresholds and ILR recording**

27. There is very little change to the way the ILR should be completed to record ALS. Values are required in field L31 (additional support cost) where the costs of ALS are at or above the thresholds of £170 or £501 for part-time and full-time learners respectively. It is possible to record on an optional basis ALS costs below these thresholds.
28. The definitions of full-time and part-time learners are also given companion document *Funding Regulations* and are repeated below this

paragraph. These thresholds will be applied on an annual basis where the costs connected with the planned ALS provided for a learner meet or exceed the threshold for claiming ALS. If the learner subsequently withdraws from their programme, the ALS record should be adjusted to the actual costs incurred.

#### **Full-time learner**

A full-time learner is one enrolled on a programme of at least 450 glh in any 12-month period. This includes a learner who withdraws after meeting the start criteria.

#### **Part-time learner**

A part-time learner is engaged in a programme that is fewer than 450 glh in any 12-month period.

29. ALS records should be calculated using the expenditure incurred during the teaching year. This will give an estimated annual expenditure, which must exceed the relevant minimum threshold values for additional ALS funding to be counted.

### **Defining the Principles of Use for ALS Funding**

30. The activities for which ALS funds may be used are intended to be additional activities that provide direct learning support to learners. They are not intended to include activities that would more usually be classified as learner financial assistance. Consequently, the definition of ALS used for funding purposes does not include childcare or transport to the provider, although it could include transport between different sites of the provider for learners with mobility difficulties.
31. Where most learners in a group appear to require additional help to succeed in their learning programme, this should be addressed in the design and delivery of the main learning programme or by reconsidering the choice of programme for these learners, rather than by applying the ALS mechanism. This would not, however, apply to discrete groups of learners with learning difficulties and/or disabilities.
32. Similarly, where it is apparent that an individual is following a programme at a level above that for which he or she has been assessed as capable of achieving, consideration should be given to a more appropriate choice of programme for the individual. ALS funding should not be used to alleviate such a situation.
33. With the development of Foundation Learning and the inclusion of several personal and social development qualifications on the Qualification Credit Framework (QCF), providers are encouraged to consider the use of QCF for the delivery and accreditation of these elements of support rather than use ALS. This will then enable ALS to be refocused on the support individuals need to achieve their qualifications and progression.

34. Providers may not record funding through the ALS mechanism in respect of basic skills support for learners who are already enrolled on literacy, numeracy or language (ESOL) learning aims.
35. ALS should not be used to lengthen artificially the working week or working year for learners where the provider has reduced the hours for the standard learning programme.
36. It is not intended that ALS should be used to deal with the everyday difficulties experienced by learners on their programmes (for example, an A-level Mathematics learner experiencing difficulty with calculus), nor for such activities as preparing for university entrance.
37. Each provider should determine which elements of support are additional to those already offered in an individual's learning programme and could, therefore, be costed to substantiate the college's or provider's use of ALS funding. Where a learning programme is designed as discrete provision for individuals with learning difficulties and/or disabilities, there should be clear evidence of the provision of ALS before recording that additional learning support costs have been incurred.
38. The phrase 'standard learning programme' refers to the actual learning programme that the learner is following alongside their peers. This may include elements of support delivered as part of the curriculum.
39. In many cases, a learner requiring ALS will have had a statement of educational need when a school pupil. Providers will wish, in designing a learning programme, to have regard to a learner's statement, which is likely to contain useful information.
40. The types of ALS provided for learners may include the following.
  - Additional teaching, either to reduce class sizes or to provide support in or out of the class.
  - Other specialist staffing: for example, personal care assistant; mobility assistant; reader; note-taker; amanuensis; in-class support assistant; dedicated technician (for supply, maintenance and training in the use of equipment for learners with disabilities and/or learning difficulties); specialist tutor (for example, teacher of the deaf, or teacher of learners with dyslexia); communication support worker (for example, Braillist or support for deaf learners); additional tutor support for counselling and guidance for individual learners that relate to their disability; material adaptation worker; or educational psychologist.
  - Funding for a speech therapist and/or a physiotherapist (where such support is identified in a learning agreement as necessary to enable a learner to achieve their learning aims, and meets the definition of ALS). Such support should be funded by the provider and is eligible for ALS funding. Normally, the provision of such

support should follow an assessment by an appropriately qualified person. Where speech therapy or physiotherapy is not identified in a learning agreement as necessary to enable a learner to achieve their learning aims and does not meet the definition of ALS, funding should be sought from the relevant health authority.

- Assessment and review pre-entry and on entry, on programme and on exit, where this involves specialist inputs or a higher level of input than that provided on the individual's learning programme.
- Personal counselling, where such support is necessary to enable a learner to achieve their learning goal.
- Transport between sites and to other off-site activities for learners with mobility difficulties, but not home-to provider transport.
- Administration linked directly to individual learners that is in excess of usual requirements, for example, time spent negotiating or delivering special examination facilities.
- The use of alternative technology that is now available on the market that replaces the need for some of the above expenditure and for which any capital costs can be claimed through the advice below on depreciation and costs. For example, Ofsted and other agencies have commented that many learners would prefer to use a piece of equipment that allows them to read/hear it for themselves rather than rely on a support worker reading things to them. The prices of such equipment now available on the market often support this as a more cost effective approach.

### **Equipment costs and depreciation**

41. While actual equipment costs cannot be recorded through the ALS mechanism, a depreciation charge for the equipment may be included. It should be calculated by dividing the actual cost of the equipment by the estimated number of years of its useful life. Only the appropriate element of depreciation for equipment used by the learner for the time it was used is eligible for ALS funding.
42. Depreciation costs must be claimed in line with the provider's depreciation policy and should be calculated by a provider's finance department, as it must be shown in the provider's accounts. The same procedure applies to equipment that is leased rather than purchased.
43. If the lease costs are a revenue charge (for example, for an operating lease), the proportionate cost of the lease charge is also eligible for ALS funding. Where a finance lease is used, the depreciation charge is calculated with reference to the capitalised value divided by the term of the lease or useful economic life. This should be calculated by a provider's finance department, and must be shown in a provider's accounts.

## **ALS and reconciliation arrangements for providers making ILR returns**

44. While ALS will not usually face reconciliation, providers will want to review their actual ALS expenditure during the year and compare that with their planned expenditure. The ILR returns should be based on a reasonable estimate of actual expenditure so that following-year allocations can take account of any variance between actual and planned ALS costs. To keep bureaucracy to a minimum, providers may use reasonable estimates here rather than precise costs incurred for all learners below the £5,500 band. The same methodology, taking into account the formula-based distribution system, used for the pre-year planning should then be applied to an in-year review of actual costs. Providers will not face any funding reconciliation adjustment for cost movements either way.
45. Providers are not required to make individual evidence available for records up to £5,500, but are expected to maintain records of learner assessment, individual learning and support plans, and monitoring, review and outcome records for learners who are allocated funding under ALS expenditure. These records should be in place as part of normal educational practice and should not therefore represent any increase in bureaucracy.

### **Costs above £19,000 - all providers**

46. Providers may apply to their funding body for specific additional financial support for learners whose ALS costs exceed £19,000. In such cases, it will be necessary to demonstrate the need for such additional funds.
47. The initial £19,000 of costs will be resourced from the provider's block allocation, and additional payments will be made, where relevant, for the balance above £19,000. For example, if support needs were costed at £21,000, the provider would fund £19,000, with the remaining £2,000 coming from a separate budget held regionally. Any claim above £19,000 should be referred in **advance of delivery** to the funding body for approval in principle. The final claim for costs above £19,000, based on actual costs incurred during the year, must be submitted to the funding body within the timetable for the provider's final funding claim as stated in Table 1 of the companion document *ILR Funding Returns*.

### **Advice on Initial Assessment of Learning Support Needs**

48. The process of initial assessment for learning support should be integrated into the other processes carried out during the entry phase of the learning programme, and evidence should be available of the assessments that were carried out. This initial assessment process generally has three main elements:
  - initial identification of the learners who will need learning support;
  - detailed assessment of their learning support needs;
  - development of a plan to provide ALS.

49. Providers will use a range of assessment instruments and strategies throughout the learning programme to identify individuals' ALS needs. The assessments carried out should be relevant and identify individuals' needs within the context of the curriculum they will be following. There is no standard assessment method that all providers should use, and providers will make their own judgements as to the most relevant assessment methods and materials to use for particular learners.
50. Once the provision required to meet an individual's ALS needs has been identified, it can be costed and the ALS costs form completed where appropriate. This stage of the process will typically take place during the induction phase of the learning programme.
51. There are some learners who will have needs that are not identified during the pre-entry and entry stages. It is important that, as soon as these needs are identified, an assessment is carried out and where necessary the ALS costs form completed. An individual's learning support needs may change during the programme and, if a review of that person's needs leads to a significant change in the provision being offered to them, the form should be revised.
52. Possible stages in the process of identifying and providing ALS are set out in Table 2.

**Table 2: Stages in the process of identifying and providing additional learning support**

<b>Timing</b>	<b>Process</b>	<b>YPLA requirements</b>
Previous provider year	Strategic planning, including activities such as liaison with schools and multi-agency planning	Strategic plan, which includes a needs analysis of learners with learning difficulties and/or disabilities
March of previous year	Estimate of numbers of individuals requiring ALS and the scale of their needs	Provision of supporting information to the funding body, including an estimate of the amount of ALS funding required
Pre-entry or entry	Initial identification of needs; that is, admission and induction processes, and detailed assessment of each individual's ALS needs	Back-up evidence for the ALS costs form
Entry or induction	Development of a plan to support learning, and costing of ALS that is to be provided	Completion of the ALS costs form
On-programme	Regular review of ALS needs	Revision of the ALS costs form as required
Achievement	Identifying support requirements for end-of-programme review, assessment and accreditation	Estimate of costs to be included in ALS costings

## **Compliance Evidence of ALS**

53. Where the provider wishes to record ALS, the individual's learning agreement should give a summary of the additional support to be provided to the learner, and where relevant a copy of the ALS costs form should be retained with the learning agreement. It is intended that the form be retained by providers as auditable evidence in support of all learners with high cost ALS expenditure (above £5,500). Care should be taken to ensure that planned expenditure does not make disproportionate use of public funds.
54. The provider should also be able to make available to its auditors sufficient evidence to show that the ALS recorded was made available to the learner.
55. In planning their provision providers will have prepared an estimate of the funding for ALS required for the year ahead. The estimate of this funding will draw on information derived from strategic planning activities, including multi-agency collaboration, school links, careers information and other activities.
56. The process of initial assessment for learning support should be integrated with the other processes carried out during the entry phase of the learning programme. Providers should have available evidence of the assessments that were carried out as part of the process of identifying the ALS required by the individual.
57. All use of ALS funding must meet the eligibility criteria and providers are not expected to:
  - have large numbers of learners just above the minimum cost threshold;
  - significantly increase from year to year the proportion of additional-support funding in the total;
  - systematically extend the provider week or year for discrete groups of learners with learning difficulties and/or disabilities;
  - record ALS funding where the majority of learners in a group, studying, for example, a vocational A-level, appear to require additional help in order for them to succeed on their learning programme (this would not apply to discrete groups of learners with learning difficulties and/or disabilities);
  - record ALS funding for learners enrolled on partner provider (third party delivery) provision where the appropriate proportion of funding received is not then passed on to partner providers;
  - systematically record for qualifications in literacy or English for speakers of other languages (ESOL) in addition to the primary learning goal of a learner.

# **Annex A: Guidance on Completing the ALS Costs Form for Providers**

## **All Providers**

1. The guidance below must be followed in full for all learners with ALS claims above the £5,500 band and may assist providers in recording ALS for learners whose costs fall below the £5,500 higher band threshold.
2. Providers can record funding for ALS in accordance with this Guidance. Providers that are planning to increase significantly the number of learners requiring ALS should first contact their funding body.
3. All providers will be expected to manage their ALS block allocation accordingly to meet the needs of all their learners up to £19,000. Estimated costs of providing ALS should continue to be included in all providers' ILR returns. This will support provider budget management and allow funding bodies to demonstrate value for money.
4. All providers should consider the advice in this document in determining how they evidence expenditure on learners below the £5,500 band. It is likely that funded providers will want to show in their ILR and funding returns their actual expenditure during the year but compiled on the same simplified basis used to determine their allocation. In this way, they will avoid some of the unnecessary bureaucracy around individual costed support forms but still provide their funding body with information on their movement in costs during the year to assist in future discussions of ALS funding allocations. In producing any global costing, providers must ensure that the whole of their global costing complies with the guidance on individual ALS claims.

## **Initial Assessment of Learning Support Needs**

5. The provision of ALS will be identified through the assessment and diagnosis of learner needs. The evidence for recording ALS funding (that is, the completed form) is the outcome of the process of initial assessment for learning support.
6. This initial assessment process generally occurs at the pre-entry and entry stages of the learning programme, and may be considered to have three main elements:
  - initial identification of the learners who will need learning support;
  - detailed assessment of their learning support needs and associated costs;
  - development of a plan to provide ALS.

7. Providers will use a range of assessment instruments and strategies throughout the learning programme to identify individuals' ALS needs. The assessments carried out should be relevant and identify individuals' needs within the context of the curriculum they will be following. There is no standard assessment method that providers should use, and providers will make their own judgements as to the most relevant assessment methods and materials to use for particular learners.
8. Once the provision required to meet an individual's ALS needs has been identified, it can be costed and the ALS costs form completed. This stage of the process will typically take place during the induction phase of the learning programme.
9. There are some learners who will have needs that are not identified during the pre-entry and entry stages. It is important that, as soon as these needs are identified, an assessment is carried out and the ALS costs form completed. An individual's learning support needs may change during the programme and, if a review of that person's needs leads to a significant change in the provision being offered to them, the form should be revised, particularly for learners whose support costs then crosses the £5,500 threshold, in either direction.
10. Possible stages in the process of identifying and providing ALS are set out in Table 2 in the main body of this document.

### **Costing ALS**

11. The outcome of the initial assessment is an ALS plan that details the provision a learner will need in order to achieve their learning aims. This provision should be costed as part of the process of completing the ALS costs form. The costings used in completing the form should reflect the actual costs borne by the provider. Providers should adopt costing formulas that reflect the variations in their provision.
12. The following points may be helpful when costing the provision.
  - Providers should not include overhead costs such as central services or premises costs in the calculation of additional costs, as these are already met from the base unit of resource in recurrent funding.
  - Additional teaching costs should be based on staff salaries plus on-costs and contracted hours.
  - Costs for support staff could be calculated in the same way as costs for additional teaching.
  - The costings should relate to direct learning support for individual learners. The costs of a learning-support co-ordinator may be included where the member of staff concerned is providing direct support to an individual learner.

- Where learners are on a discrete programme, the additional costs of teaching smaller groups of learners can be included on the form. Before claiming any additional costs, providers should reassure themselves that there is a clear rationale for restricting the size of the group, based on the needs and characteristics of the learners.
- Providers should calculate the additional costs by subtracting the average teaching cost for each learner on a standard programme from the teaching cost for each learner on a discrete learning aim. The costs of any other additional learning support provided within a discrete programme should also be included in the costing.
- Providers may include a depreciation charge for capital equipment on the form. This should be calculated by dividing the cost of specialist equipment by the estimated number of years of its expected life.
- The costs of any assessments required to identify equipment needs can be included in the costing of initial assessment.
- Maintenance of equipment, and training for the learner in the use of the equipment, can also be included.
- Where a learner needs to have their learning materials adapted, the cost of preparation can be included in the form. This may involve tutor, administrator or support-staff costs.
- The cost of providing ALS during the assessment of achievement should be included. This might include, for example, extra examination invigilator time, a notetaker or an amanuensis.
- The cost of transport can be included within the form where the learner is being transported between provider sites or where transport to a particular place is an integral part of meeting the learner's learning support needs, for example, as part of the learner's mobility training.
- Administrative costs in excess of the usual requirements for an individual can be included in the costings. For example, this could include liaison time with other agencies and time spent negotiating special examination facilities.

### **Detailed Costing Advice for Providers**

13. Providers are advised that only costs allowed under the YPLA guidance on additional support can be recorded in the ILR. Providers should not include in their ILR returns or block allocations any overhead or absorption costs they decide to allocate to their additional-support department that are not allowed as valid expenditure under this Guidance and no advice is given here on the internal budgeting arrangements of providers for ALS. For example, providers who set up a separate department for ALS that is then budgeted for a share of

college general overheads, such as senior management costs, general building costs or finance and management information system overheads, and so on, should be aware that the YPLA would see this as costs funded from the base unit of resource.

14. Only costs that are wholly and exclusively additional should be charged; that is, posts that would exist without additional support cannot be charged as additional support (for example, principal, finance director or management information systems officer).
15. Overhead costs, such as central services or premises costs, already met from the base unit of resource in recurrent funding, may not be charged to reflect the costs of additional support. It is not acceptable to inflate the costs artificially by including management and administration that are not directly related to the delivery of additional support for learners.
16. Overhead costs directly attributable to the provision of ALS, and as such not funded from the base unit of resource in recurrent funding, may be recorded where the college can clearly demonstrate that the extra costs have been incurred solely for the provision of ALS.
17. Lecturer costs should be calculated using total teaching staff salaries for the year divided by total teaching hours for the year. Additional teaching costs could alternatively be calculated based on the actual costs of those involved.
18. The salaries of teaching support staff should be based on staff salaries plus on-costs and contracted hours.
19. Additional hours added to a qualification cannot be reflected in additional-support costs. These should be reflected in the guided learning hour (glh) record for unlisted qualifications.
20. The costs of administration that are directly linked to the delivery of additional support for individual learners may be calculated and recorded. General costs need to be supportable (that is, £100 added to each record for administration and tests is not acceptable). Administration staff costs should not be charged per learner hour, but should be based on costs incurred. The cost of the initial review is recordable by all where needs are assessed.
21. Where specific administration is dedicated to just additional support, the costs could be spread evenly over all learners dealt with within the additional-support department after excluding those costs allocated based on time records.
22. Costs relating to a specific group of learners receiving additional support, for example, travel on a minibus, should be apportioned to these additional-support learners only and not to all additional-support learners.

23. Where extra IT technicians are employed to provide support to all learners, this should be allowable against learners identified with needs.
24. Costings should be reasonable in relation to expected costs. For example, where averages, such as average teaching costs are used these must be calculated using only teaching staff that are actively involved in day to day teaching to learners (college management staff costs should NOT be included in such calculations). Provider should have retained evidence that demonstrates that the values used are reasonable and correct.
25. Staff teaching for a proportion of their time at the provider should ensure that only the proportion of their salary related to teaching is included in any calculation of hourly rate.
26. Additional-support costs should not be recorded where a learner requires support in the subject area of their qualification; for example, additional support should not be recorded for a learner studying GCSE maths and receiving extra support in maths.
27. A reasonableness check of actual costs incurred against the funding recorded may be used as an ultimate check on any funding records.
28. Where additional support is given off-site as part of a business decision (for example, care homes) the small class size calculation should take account of the learner needs, and the level of learners available to be taught. As there may only be three learners on site, the reduced class size may not be appropriate, as it is the college's decision to provide the education. Reduced class sizes will need to be justified by the college before any additional-support record is made for extra costs associated with small class size(s).
29. The additional cost of a small or discrete group of learners with learning difficulties should be calculated by subtracting the average teaching cost per learner on a standard programme from the cost per learner on a discrete programme.
30. The programme weighting factor for basic skills reflects delivery in small groups. If basic skills are taught in groups smaller than normal because of learners' additional support needs, funding may be recorded using the small group formula (the average group size for the college should relate to basic skills in this calculation).

### **Standard Class Size for Small Class size ALS calculations**

31. Where learners receiving ALS are taught in small groups, the provider should ensure that the proportion of costs met from the mainstream funding methodology has been removed before costs are charged to additional support (see calculation in Figure 1).

**Figure 1: Example of small group size calculation.**

$$\begin{array}{rcl} \text{Cost per lecturer hour} & - & \text{Cost per lecturer hour} = \text{Cost per learner} \\ \text{-----} & & \text{-----} \\ \text{Specific small group size*} & & \text{Average group size for college} \end{array}$$

*\*This figure will vary depending on the number of learners in the group and will need to be calculated for each small group size; see following paragraphs.*

32. The calculations are based on the 'ideal' or 'target' group size, based on the needs of the learner. It is therefore inappropriate to recalculate the claim according to the size of the group when, for instance, one or two learners drop out.
33. The standard class size should be calculated using the following method.
- The average class size is found from the register or other data based on the number of fundable learners attending. This is intended to exclude learners who withdraw before the standard learner number (SLN) qualifying start date and other learners who do not qualify for YPLA funding.
  - The classes considered should exclude basic skills in literacy and numeracy as well as ESOL, as the funding rates for these learning aims effectively include an ALS element for small class delivery.
  - If the average class size cannot be found by this method, a value of 14 has traditionally been used, as this was an average for all funded providers.

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