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Learning and Skills Development Agency

Review of Additional Learning Support
Costs
Final Report
13 December 2002

KPMG

This report contains 85 pages

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Glossary

1 Introduction

This review was commissioned by the Learning and Skills Development Agency and was undertaken by the Education Advisory Team of KPMG. We worked closely with colleagues from the Learning and Skills Development Agency and the Learning and Skills Council. Circular 02/04, *First Stage Consultation on Additional Learning Support Arrangements from 2003/04*, published in February 2002 was an initial consultation document which reviewed the Council's current approaches to funding the Additional Learning Support (ALS) requirements of learners in each of the learning sectors. This consultation sought views from providers on the potential future funding of ALS. Circular 02/17, *Funding Second Stage Consultation of Additional Learning Support Arrangements 2003-2004* was used as the basis of our work. The Consultation invites colleagues from across the LSC Sector to contribute their view on a range of issues central to the development of Additional Learning Support Funding. The proposed arrangements seek to establish common funding principles across the sectors of work based learning for young people, further education, adult and community learning, and school sixth forms.

A review programme was carried out throughout the LSC sector.

1.1 Aims and Objectives of the Project

1.1.1 Aim of the Project

The overall aim of the review is to assist the LSC determine how far it is feasible to specify and standardise the unit costs of items included by providers in Additional Learning Support claims.

1.1.2 Objectives of the Project

The remit from Learning and Skills Development Agency (LSDA) was:

- Identify the major categories of costs claimed by institutions providing additional learning support (ALS);
- For each major category of cost identify the average unit cost claimed and the range of variation in unit costs claimed;
- In the light of the cost evidence and other data advise on how far any variation between institutions in unit cost for similar items is reasonable;
- Advise on how the development of a more consistent approach to ALS costs can best be integrated with other aspects of LSC funding, and in particular the area cost factor;
- Provide an initial assessment of how far the difference between institutions which claim a high proportion of funding via ALS and those which make much smaller claims is attributable to differences in the number of learners needing support; differences in the extent and nature of the support offered in similar circumstances; and differences in the unit price claimed;

- Provide an analysis of the circumstances in which ALS is delivered through small group provision (e.g. for basic skills, ESOL, etc)
- Assess the extent to which provision for small groups is best provided through ASL as compared with other elements of the funding method (e.g. cost weighting);
- Advise on the best way of promoting consistency of practice in respect of the costs of ALS provision delivered through groups;
- Provide an overall assessment of the costs and benefits of moving to more standardised arrangements for part of the ALS claim looking at both efficiency and effectiveness. This assessment should take the specific account of the need to extend arrangements over the four sub-sectors of the LSC;
- Advise on the reasonable thresholds for full-time and part-time provision below which Additional Learning Support should not be claimed (exploring the possibility of a number of thresholds for part-time provision, depending on the length of the course).`

1.2 **Confidentiality**

This report is strictly confidential and has been prepared for the Learning and Skills Development Agency. It should not be distributed to third parties without the express permission of KPMG.

1.3 **Acknowledgement**

KPMG is grateful to all those who participated in the review, either by making themselves available for interview and/or by the supply of data

2 Executive Summary

2.1 Aims and Objectives of the Project

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The remit from Learning and Skills Development Agency (LSDA) was:

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- Provide an analysis of the circumstances in which ALS is delivered through small group provision (e.g. for basic skills; ESOL, etc);
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- Advise on the reasonable thresholds for full-time and part-time provision below which Additional Learning Support should not be claimed (exploring the possibility of a number of thresholds for part-time provision, depending on the length of the course).'

2.2 Key Findings from our Review addressing its Objectives

2.2.1 Identify the major categories of costs claimed by institutions providing additional learning support (ALS)

Colleges reported a range of costs for tutors against a range of activity during the review. These are detailed in Appendix Six. **The most important activity in terms of expenditure was that attached to tutor support**, which in the main was carried out by experienced and qualified staff able to carry out learner assessment and able to make judgments regarding placement on programmes and develop support plans. Also, tutors dealt with the monitoring and evaluation of programmes and arrangements regarding course assessment and examination arrangements. This category of cost therefore accounts for the greatest proportion of most colleges' Additional Learning Support claims. We identified a range of tutor hourly costs from £22 per hour to £45.50 per hour. A more detailed analysis of identified cost can be seen in Table One below

Funding Learning Support Assistants is another significant contribution to the level of a college's ALS claim. All colleges reported that these personnel were involved with individual one to one support of learners. Also, they were involved in small group support. Not only on programmes for learners with learning difficulties, but on Level One programmes. Several colleges reported that their learning support assistants acted as providers of personal care and social support for the more dependent learners. We identified a range of LSA hourly cost rates from £6.43 per hour to £16.50 per hour for this group of personnel. A more detailed analysis of identified cost can be seen in Table Two below.

Many colleges reported a growth in their support provision for hearing impaired learners. Associated with this is the requirement for colleges to provide communicators, note takers and in some college's specialist teachers for the deaf. We identified a range of hourly costs for these communicators from £8.23 per hour to £16 per hour. Note takers were general paid the same rate as learning support assistants. Teachers of the Deaf are generally paid the same rate as lecturing staff generally. A more detailed analysis of identified cost can be seen in Table Three below.

The examples of Additional Learning Support activity identified and reported in the table in Appendix Six are those most commonly and regularly reported by college providers. They are not entered by frequency or magnitude. They are examples provided by the colleges. Many colleges reported their additional support activity by using the Pre-Entry, Entry, on programme.

It was only in the College Learning Sector that we were able to identify costs which allowed any meaningful comparison.

2.2.2 For each major category of cost identify the average unit cost claimed and the range of variation in unit costs claimed

In the college sector it was possible to identify on a comparative basis three cost elements: those are: Tutor costs: Additional Learning Support Assistants: and Communicators For Deaf Students. These categories of costs are analysed in the three

tables below. See Appendix Six for full details of the costs we identified during our review.

Our review found that tutor costs are by far the largest element of Additional Learning Support cost in those colleges visited. This was the case, even in colleges where there had been a significant investment in the employment of Learning Support Assistants

Some colleges had developed high cost provision designed to meet the needs of specific groups of learners, e.g. sensory impaired learners, learners with significant physical impairment. Much of the cost of this provision was based upon 1:1 LSA support, however there was still a significant element of specialist support tutor cost involved in the general costs

Our review would suggest therefore, that for most colleges the highest element of cost is that put to tutor cost.

Tutor Costs

College	Tutor Hourly Rate £
A	29.30
B	32.22
C	35.44
D	31.33
E	30.03
F	31.50
G	35.45
H	38.00
I	35.00
J	22.00
K	35.00
L	45.85
M	31.55
N	37.00
O	39.74
Mean	33.96
1st quartile (25%)	31.42
3rd quartile (75%)	36.23
interquartile range	31.42-36.23

Table 1

Additional Learning Support Assistants Costs

College	Tutor Hourly Rate £
AA	9.16

BB	16.50
CC	7.70
DD	10.40
EE	7.78
FF	6.43
GG	8.50
HH	7.50
II	8.00
JJ	12.09
KK	15.00
LL	7.00
MM	13.09
NN	8.00
mean	9.80
1st quartile (25%)	7.72
3rd quartile (75%)	11.67
<u>interquartile range</u>	<u>7.70-11.70</u>

Table 2

Communicators for deaf learners

College	Tutor Hourly Rate £
Aa	9.16
Bb	10.40
Cc	9.51
Dd	8.75
Ee	15.25
Ff	16.00
Gg	15.20
Hh	12.09
Ii	8.23
Jj	13.90
mean	11.85
1st quartile (25%)	9.25
3rd quartile (75%)	14.88
<u>interquartile range</u>	<u>9.25-14.88</u>

Table 3

It was only in the College Learning Sector that we were able to identify costs which allowed any meaningful comparison.

2.2.3 In the light of the cost evidence and other data advise on how far any variation between institutions in unit cost for similar items is reasonable

The College interquartile range for tutor hourly rates delivering ALS reported to us during the review was from £31.42 to £36.23 per hour (mean £33.96 per hour). This masks a much wider range of actual costs from £22.0 to £45.90 per hour which reflects more truly the local cost context experienced by the colleges.

In our experience the hourly rate of £22 is unusual. In this College, which has a relatively small total value ALS claim for the FE Sector, four tutors provide ALS, all are experience staff but one is yet to gain a teaching qualification and is paid at a lesser rate. This reduced the average hourly rate figure reported to us. In a larger College, with a bigger ALS claim, this individual hourly rate would be less significant on the average hourly rate.

The £45.85 hourly rate was reported to us by a London college.

One college, whose tutor costs are in the 3rd quartile reported that their average teaching costs was high owing to tutor delivering Additional Learning Support were generally the most experienced and long serving. Consequently putting them at the top of the lecturer grade. Many staff in this particular college were on the lower to middle points on the Management Spine.

2.2.4 Advise on how the development of a more consistent approach to ALS costs can best be integrated with other aspects of LSC funding, and in particular the area cost factor

Our review has identified many variations in activities and associated costs across the four learning sectors. Hence, both within and between the four sectors there are diverse responses to similar situations. The best first step would be to try to create more similarity of understanding and practice. Hence our recommendations for national guidance on what constitutes ,

1. appropriate assessment (both before and during learning)
2. an inspection framework and guidelines
3. audit guidelines.

If this programme of work were tackled, much of the current discrepancy in costs and understanding of what constitutes ALS would disappear. Moreover, what remained would be more visible and attributable to causes such as regional cost variations which could be seen to be justifiable or not.

Only when this has been done would it be possible integrate ALS funding with other aspects of LSC funding.

2.2.5 Provide an initial assessment of how far the difference between institutions which claim a high proportion of funding via ALS and those which make much smaller claims is attributable to differences in the number of learners

needing support; differences in the extent and nature of the support offered in similar circumstances; and differences in the unit price claimed

There appears to be some relationship between the size of the college and the relative level of additional support activity taking place. Generally the larger colleges have a broader range of provision ranging from Entry Level programme and a significant number of learners on Foundation Level. These are, in the main, the learners who would require Additional Learning Support. One can compare the level and complexity of Additional Learning Support in Appendix 5 The college with the least Additional Learning Support identified both in terms of variety and volume is a small to medium sized college with most of its Additional Learning Support being delivered to discrete groups of learners with learning difficulties and a small number of disabled learners. The larger, more comprehensive inventory of additional support activity is for a large College of Further Education with an extended history of providing Additional Learning Support to learners with learning difficulties and or disabilities. The college reports that in the several years there has been a significant development of Additional Learning Support services for learners with sensory disabilities. The college now has a national reputation of being a provider for these learners. It has, as a consequence of this profile attracted learners with learning difficulties and or disabilities to the college. Running alongside these developments the college has grown a large basic skills provision, some of it delivered to learners as Additional Learning Support.

2.2.6 Provide and analysis of the circumstances in which ALS is delivered through small group provision (e.g. for basic skills; ESOL, etc)

All of the colleges visited operated and claimed for small class sizes in one or more contexts.

The most common example was for small classes of learners described as having severe learning difficulties. Typically these classes could be organised for as few as four learners, through to classes for eight learners. The colleges made an additional support claim based on the `small class formula` described in the Guidance to Funding 2001-2002.

One college included in our review provided small group classes for as few as two learners described as having profound and multiple learning difficulties. These learners presented very challenging behaviour. The college reported that they felt it inappropriate for these learners to be in larger groups for much of their college experience. Significant levels of additional support funding was claimed for these learners. As well as the small group claim these learners were identified for significant 1:1 learning support assistant provision..

Some learners described as having moderate learning difficulties were often taught in groups of eight

Several colleges reported that some learners with very specific leaning difficulties such as dyslexia or dyscalculia were also catered for in small groups.

Most colleges included in our review provided Basic Skills classes or workshops for a wide range of learners. These classes were often delivered to small groups. Funding was

either claimed at the enhanced Basic Skills cost weighting factor or at an individual learner level through additional support funding.

We identified other provision being delivered to small groups in the following contexts:

- Some Level One programmes such as NVQ1 in Horticulture;
- Some Catering Level One programmes where many of the learners in the groups were identified as have learning difficulties, some of them having progressed from college Entry Level programmes or in some instances from college pre-Entry Level provision; and
- One college visited provided and claimed small groups provision for a class of hearing impaired learners who were, for the majority of their learning on mainstream programmes, but for specific sessions taught 'study skills' as a group using the medium of British Sign Language. The college reported that this was the outcome of deaf learners in the college requesting some provision taught through their first language

2.2.7 **Assess the extent to which provision for small groups is best provided through ASL as compared with other elements of the funding method (e.g. cost weighting)**

Throughout our review college providers reported to us their concern regarding the funding of provision for learners described as having severe learning difficulties. Whereas 'discrete' provision for learners described as having moderate learning difficulties can be mapped across to the basic skills standards, and a cost weighting of 1.4 applied. the former cannot and is identified as 'towards independence' provision, which presently attracts no cost weighting.

Some colleges have attempted to model the cost benefits of applying the 'reduced class size' formula compared with attracting an equivalent to the Basic Skills cost weighting. Outcome varied among those who had carried out this exercise. However, all reported that an appropriate cost weighting, that could be applied in the initial course planning process, would be less burdensome than having to apply formula calculations for what could be, in some colleges, a wide range of small group provision. All were comfortable that individual learners, identified as requiring significant additional support within their small group, received it as well as the small group ALS or an enhanced

Those colleges who previously identified the small group costing formula as appropriate for some of their Entry and Level one provision, Some reported that they were moving away from this and applying more support at the individual learner level owing to their nervousness around small group ALS for learners on this level of programme

It has been our experience that some providers have experienced significant difficulties in applying the formula owing to initial uncertainty and resulting inaccuracies around the identified 'average class size' in the college. The calculation has been carried out when the learning support plan and the Annex D for individual learners has been set up, but as the academic/learning year has progressed the average class size has changed, more often than not reduced and this could have a significant impact on the outcome of the formula. Therefore many colleges have had to make manual adjustments throughout the year. This is administratively burdensome.

Our review would suggest therefore, that there are opportunities to replace the small group ALS with appropriate levels of cost weighting.

2.2.8 **Advise on the best way of promoting consistency of practice in respect of the costs of ALS provision delivered through groups**

Several college providers suggested that an identified cost weighting, at least equivalent to the Basic Skills Cost weighting, for courses at Pre-Entry level should be considered, thereby eliminating the need for the small class ALS

Courses at Level One, where the majority of learners have significant additional support needs should be reviewed as to their appropriateness for the learners. Several providers agreed that ALS is sometimes applied to support inappropriate programme design or quality of delivery rather the individual needs of the learners. Experience would suggest that some Level One programmes do attract and provide for learners who have previously experience difficulties with their learning. There was a view expressed that courses at this level, regardless of their vocational focus should be considered for some programme weighting to reflect the additional learning needs of the learner.

2.2.9 **Provide an overall assessment of the costs and benefits of moving to more standardised arrangements for part of the ALS claim looking at both efficiency and effectiveness. This assessment should take the specific account of the need to extend arrangements over the four sub-sectors of the LSC**

Our review has found that for all the Colleges we visited tutor costs attached to ALS were the most important single cost. If national rates are to be established therefore it would appear that setting a single national hourly tutor rate would be a sensible starting point. **The key benefit of setting a national rate would be the reduction in the audit requirement on colleges and the consequent increase in funding certainty to the provider, who would only have to provide evidence of the level of tutor activity.**

In our view, based on the data obtained from this review, setting a national rate for tutor costs could have initially negative consequences for the delivery of ALS. Whatever hourly rate was set, by definition, some colleges would be below this rate and some above. Our review has shown a wide range of tutor hourly rates see Table 1 above. We are concerned that for colleges who currently have a tutor hourly rate above the set national rate there would be pressure to reduce the quality of ALS with the consequent negative impact on learner retention and achievement.

When the issue of a national hourly rate is extended to WBL, ACL and the Schools Learning Sectors the scope for such a rate in 2003/04 or 2004/05 is limited. Our review has identified a lower hourly tutor rate in WBL, and in the ACL and Schools Learning Sectors basic work needs to be carried out to establish what is ALS before it can be costed out.

2.2.10 **Advise on the reasonable thresholds for full-time and part-time provision below which Additional Learning Support should not be claimed (exploring the possibility of a number of thresholds for part-time provision, depending on the length of the course).**

Our review has demonstrated clear approval for thresholds and multiple thresholds for part time learners to underpin the actual costs option. However, in Colleges where thresholds currently operate (they do not in the other learning sectors) there is clear irritation that the current levels of threshold are too high. It has been put to us that in principle anything that is ALS should be funded as such. In practice though the inflationary implications of reducing thresholds will need to be modelled and the audit cost/benefit of auditing small numbers needs to be explored.

During our review we were not able to collect material data on learners who had failed to cross the funding threshold for ALS in the college sector. This means we are unable to form an opinion as to what the financial impact would be of reducing thresholds on Colleges ALS claims.

2.3 **Other findings from our review**

2.3.1 **Preferred Funding Options**

The majority of colleges (9 of 13 visited) preferred to adopt the actual costs option. Three colleges indicated an actual cost model based on a range of standard costs and one college stated a preference for Option Four.

Every WBL provider, apart from one, in the sample visited wanted to move away from the current flat rate payment for Additional Learner Need (ALN) (similar to option four), which they perceived to have significant deficiencies, to the actual costs option. Every provider wanting the actual costs option cited that in their view the current flat rate payments for ALN did not allow them to meet the individual needs of learners.

In the Adult and Community Learning (ACL) Sector three providers out of four preferred the Actual costs option. The fourth wanted a capacity funded model.

2.3.2 **Clear Audit Guidance**

All providers consulted were keen to see the further development of clearer audit guidelines for the audit of Additional Learning Support activity.

2.3.3 **Issues of convergence for the Learning Sectors**

All WBL providers recognised that moving from the current flat rate funding model to an actual costs model would present challenges for them.

There was a strong view that this would have to be carefully managed and that a phased introduction of actual costs would be appropriate with a significant pilot of actual costs for 2003/04 and then full implementation for the following year.

2.3.4 Bureaucracy and Administration

All providers would welcome a reduction in the level of bureaucracy associated with evidencing the audit of additional support activity. This would in large part be addressed by the further development of clearer audit guidelines on the lines of that already provided for auditors See Appendix 1.

2.3.5 Assessment of Additional Learning Support

Methods and focus on assessment across the Sectors was wide and diverse in nature

2.3.6 Additional Learning Support and Programme Design

There is evidence that some college providers apply high levels of additional support to programmes rather than individual learners. Often this is seen as appropriate support, however there is some evidence to suggest that this is the result of poor programme design or learners being placed on inappropriate levels of programme.

This is an issue that may relate to providers' understanding and practice of initial diagnostic assessment, insufficient range of programme levels and in some cases a lack of understanding of the principles of Inclusive Learning ie appropriate 'match and fit'

2.3.7 Equipment

The use of equipment to support learners in colleges is well developed (for examples of the type of equipment used for ALS see Appendix 8). There was significant divergence of opinion as to the best method of developing this aspect of ALS. There was some agreement in principle to the local pooling of equipment;

The use of equipment to support learners in WBL is under developed, many providers not being able to meet the high costs associated with some of the more expensive and sophisticated equipment.

Many school sixth forms used equipment provided by the LEA Resource Centres

2.3.8 Developing a common understanding of Additional Support across the Learning Sectors

There is significant variation in the level of the additional support mechanism across the sectors. Clearly the colleges, with their relatively long history of operation of the ASM have the better knowledge as do some WBL providers who cater for large numbers of learners with ALN.

There will be a significant need to develop knowledge understanding and good practice across the range of providers.

A strategic development programme, perhaps underpinned by a re-energising of the Inclusive Learning Quality Initiative in the FE sector and a first stage programme with other providers would be part of the solution to this issue.

2.4 Conclusions

2.4.1 Funding Options

Our review has found that for all the Colleges we visited tutor costs attached to ALS were the most important single cost. If national rates are to be established therefore it would appear that setting a single national hourly tutor rate would be a sensible starting point. **The key benefit of setting a national rate would be the reduction in the audit requirement on colleges and the consequent increase in funding certainty to the provider, who would only have to provide evidence of the level of tutor activity.**

In our view, based on the data obtained from this review, setting a national rate for tutor costs could have initially negative consequences for the delivery of ALS. Whatever hourly rate was set, by definition, some colleges would be below this rate and some above. Our review has shown a wide range of tutor hourly rates see Table 1 above. We are concerned that for colleges who currently have a tutor hourly rate above the set national rate there would be pressure to reduce the quality of ALS with the consequent negative impact on learner retention and achievement.

When the issue of a national hourly rate is extended to WBL, ACL and the Schools Learning Sectors the scope for such a rate in 2003/04 or 2004/05 is limited. Our review has identified a lower hourly tutor rate in WBL, and in the ACL and Schools Learning Sectors basic work needs to be carried out to establish what is ALS before it can be costed out.

In our view discrepancies in costs across the four learning sectors which a single national rate would be intended to reduce or remove are to a large extent the result of different understandings of what can and should constitute ALS for different kinds of assessed learning needs. Hence both within and between the four sectors there are diverse responses to similar situations. The best first step would be to try to create more similarity of understanding and practice. Hence our recommendations for national guidance on what constitutes ,

1. appropriate assessment (both before and during learning)
2. an inspection framework and guidelines
3. audit guidelines.

If this programme of work were tackled, much of the current discrepancy in costs would disappear. Moreover, what remained would be more visible and attributable to causes such as regional cost variations which could be seen to be justifiable or not. In this way the LSC would be seen to be following the lead requested by government in the 2003/04 Grant Letter (5 December 2002) to pursue the principles of the Inclusive Learning Report, widen participation, meet the new requirements of the DDA, and Learning for All. It is also our view that the danger of a bureaucratic burden (cf Trust FE) arising from an Actual Costs model have been exaggerated. Expert opinion is that there is very little additional administrative burden and what there is reflects what would be regarded as good practice in assessing, monitoring and recording learners' support needs at all stages of their progress. Such information is essential for good learning and it would amply meet

audit requirements. The real task is to get this understood throughout colleges, WBL ACL and Schools."

In summary therefore, based on the data and opinion gathered during our review, it would appear the scope to move to a national rate for elements of ALS costs in 2003/04 are limited. As reported to us, standard costs can only be applied if the range of activity and input costs are common within the four LSC Learning Sector. Currently they are not.

2.4.1.1 *Option one - standard national hourly rates*

No provider preferred this Option. There was little interest in this option other than at the discussion level. Two Finance Directors in two colleges expressed a preference for this model.

The college data presented in Tables 1, 2 and 3 above and reproduced in Section Six indicates a wide range of hourly rates paid to tutors, Additional Learning Support assistants and communicators for Deaf Learners. The hourly rate for Work Based Learning (WBL) lay well below the rate for any college surveyed. This would suggest even more strongly that a national hourly rate would be inappropriate.

2.4.1.2 *Option two - Ranges of rates*

There was some support for this option as it was seen to be providing some cost guidelines for providers, particularly in WBL and Adult Community Learning (ACL). It was recognised that an audit trail would have to be put in place to justify a particulate position in the range. It is our opinion, based on the review, that over time there would be tendency to 'drift' to the top of the range to maximise funding. In reality providers would need to justify their actual costs. Better then to have the actual costs model.

2.4.1.3 *Option three – actual costs*

The overwhelming outcome from our review is that providers want the actual costs model to be adopted. Of the 27 colleges, WBL and ACL providers visited 23 preferred this option.

It would appear that given an appropriate definition of Additional Learning Support (ALS) and of audit guidance and its application, the actual cost model would be the most efficient way to allocate the public funds available.

This would be the most empowering funding model and would best enable providers to successfully meet the ALS needs of their learners.

2.4.1.4 *Option four – flat rate*

One college and one WBL preferred this option.

However, there appears to be a strong view in the WBL Sector that the current flat rate Additional Learning Need (ALN) and Additional Social Need (ASN) funding arrangements do not meet the needs of learners and furthermore that the method of

identifying and endorsing ALN based on the Basic Skills Assessment does not meet the needs of learners either.

2.4.2 Convergence to Actual Costs

There currently exists a wide variation in ALS practice across the learning sectors. This means that the speed of convergence to the actual costs option will need sensitive and strategic management from the LSC. For FE and Sixth Form Institutions the new arrangements will not entail significant changes from current practice. Indeed, if our recommendations for clearer audit guidance are implemented it can be argued that the new arrangements will be more manageable than the current ones.

For WBL, adopting the actual costs model will be a significant departure from the present arrangements. From our review it is clear that providers are in different states of readiness to make the change. If the transition from current funding of ALN and ASN is to be successful the process of change needs to be considered carefully. In our recommendations we suggest a pilot of WBL providers moving towards actual costs in 2003/04

For ACL there is a wide variety of practice in terms of ALS activity. There is an understanding in terms of learners' needs, but for most providers there is no need to quantify this activity because it is not separately acknowledged in terms of funding. There are exceptions to this which we observed, where ACL was being funded directly from the LSC rather than through the LEA and the ALS funding stream available to Colleges was also available to them. As with WBL there is a need here to converge towards actual costs funding of ALS at a pace that providers can implement successfully.

For schools the requirement for Additional Learning Support for some learners is as necessary as in other sectors. However, the present transitional arrangements are at such an early stage of development that the need to manage convergence carefully is manifest.

Circular 02/17 acknowledges that decisions about schools will not be made until 2004-2005 at the earliest.

2.4.3 Inflationary Implications of adopting the Actual Costs Option

The cost implication of moving to the actual costs funding option will need to be modelled. It would appear that for Colleges there may be some inflationary effect if the changes to ALS that we are suggesting increase ALS activity in this learning sector. However, replacing the current banded college model with actual costs should not itself have much of an inflationary effect.

In WBL there is likely to be a significant inflationary effect as providers will be able to claim actual ALS based on individual learner's needs compared with current practice, which is based solely on endorsing ALN learners. This significantly under represents the number of learners requiring Additional Learning Support.

2.4.4 Defining ALS and attaching costs to these activities

In the College sector there is still a variety of understanding of what is ALS and what can be claimed for. In this sector, in recent months, there has been increasing clarification of audit requirements in respect of ALS – a process we recommend continue.

2.4.5 Thresholds

Our review has demonstrated clear approval for thresholds to underpin the actual costs option. However, in Colleges where thresholds currently operate (they do not in the other learning sectors) there is clear irritation that the current levels of threshold are too high. It has been put to us that in principle anything that is ALS should be funded as such. In practice though the inflationary implications of reducing thresholds will need to be modelled and the audit cost/benefit of auditing small numbers needs to be explored.

During our review we were not able to collect material data on learners who had failed to cross the funding threshold for ALS in the college sector. This means we are unable to form an opinion as to what the financial impact would be of reducing thresholds on Colleges ALS claims.

Below we have identified possible levels of thresholds:

Full time learners 450 or more glh £300

Part time learners 210 to 449 glh £200

60 to 209 glh £150

6 to 59 glh £100

A further complication for thresholds will be running the same levels across all learning sectors. For example, it would appear from our review that the levels of payments for staff are lower in the WBL sector than in the College sector. In WBL therefore it will take longer to reach a particular threshold even though the same quantity of ALS has been provided. This would imply that the thresholds in WBL would need to be lower than in Colleges. There may be similar forces at work within the ACL learning sector.

2.4.6 Audit Guidance

There is evidence from our review that there needs to be further work to establish clearer audit guidance for ALS and to facilitate the understanding of audit requirements across the LSC learning sectors. In the college sector, in recent months, there has been increasing clarification of audit requirements in respect of ALS.

2.4.7 Bureaucracy and Administrative Requirements

There is a tension between the actual costs funding option and the level of bureaucracy and administrative requirements needed to support it. From our review there is acceptance of a need for this bureaucracy and administrative burden if it means that individual learner requirements are being met. The learning sectors are spending public money and accept the need for public scrutiny.

The issue is how much? Providers would like these requirements minimised and visible. This will be met in large part by transparent audit guidance common to all sectors.

2.4.8 Equipment

Our review has identified general agreement across the learning sectors that there needs to be a pooling of equipment, (See Appendix 8 for examples of equipment used for ALS) Big colleges, as they acknowledged, in fact already have such pools and this reinforces our view that pooling should be established. There are some examples of pools that we have discovered during our review and providers involved in these reported to us that they work well and certainly added value for the learner.

The implementation of equipment pools needs careful consideration and further investigation. It is likely that these pools will be sub-regional and may work best based within LLSC areas.

2.4.9 Assessment of ALS

Currently there is some evidence of a significant variation in the assessment of ALS both within and between the sectors. In itself this may be no bad thing, especially if it can be demonstrated that the assessment meets the needs of learners. However, our review would suggest that as part of the process of moving to the actual costs option there also needs to be much more commonality of assessment of ALS for individual learners.

2.4.10 ALS and Programme Design

There is evidence that some college providers do offset poor programme design with ALS funding. This is unacceptable. It is up to the management within individual provider to challenge this where it is happening. Scrutiny of this could also be built into the inspection framework

2.4.11 Small Group Provision

Small groups are used to provide ALS in a variety of learning circumstances in Colleges and WBL. Our review reveals that there is significant variation in how and why small groups are applied and perceived.

2.5 Recommendations

The following are our recommendations starting from the identification of learner need and programmes, pedagogy, management, audit and inspection being designed accordingly.

2.5.1 Funding Option

That the Actual Cost model should be adopted. The system should apply equally to all providers, be transparent and have consistency at a national level through standardisation of practice across audit firms and individual auditors.

2.5.2 Speed of convergence to the actual costs option

Convergence will need to be managed carefully.

We would recommend that modelling is carried out and pilot schemes developed and run across the LSC Provider base for at least one year before universal application.

2.5.3 Modelling the possible inflationary aspects of adopting the actual costs model

That models of the likely financial cost in each sector compared with current funding should be constructed and monitored during the implementation of 2.5.2 above.

2.5.4 Further work to identify ALS activity

That advice be provided for the development and implementation of guidelines for the better definition of additional learning support activities

2.5.5 Thresholds

That further work be commissioned to assess the impact of reducing current thresholds and the introduction of multiple thresholds for part time learners

2.5.6 LSC Sector staff development

That training is devised and provided for all concerned in management and implementation of Additional Learning Support.

2.5.7 Developing a common of language

That a common language for ALS be developed through training and guidance across the sector.

2.5.8 Audit guidance

That further work be carried out which builds on the existing and developing audit guidance for ALS.

2.5.9 Bureaucracy and administrative requirements

That there should be a significant reduction in the present level of bureaucracy connected with Additional Learning Support claims. To some extent this could be achieved by guidance relating to acceptable levels of cost for particular common activity. E.G. guidance could be given at a national level as to the appropriate cost of a communicator for hearing impaired learners, although regional variation in costs would need to be acknowledged.

2.5.10 Equipment

That a pool be established at sub-regional level to improve the efficiency of equipment allocation to learners in receipt of ALS. This would appear to be an appropriate function of the LLSC.

2.5.11 Initial diagnostic assessment of ALS

That a standard common assessment framework be developed which would identify the learner's Additional Learning Support needs and monitor the learner's needs throughout their learning programme.

2.5.12 Small Groups

That small group provision be based on the identified and assessed learning needs of the learner. Guidelines should be developed to reduce the inconsistency we identified during our review as to how and why small groups are applied to learning. This element of ALS funding should not to be claimed where the programme is at an inappropriate level for the majority of learners in the class.

2.5.13 ALS and programme design

That work should be commissioned that seeks to more effectively meet the needs of learners by better programme design, rather than bolstering poor match and fit by inappropriate allocation of Additional Learning Support resources. This development can be supported by the processes in the Common Inspection Framework and the pursuit across the sector of the principles of Inclusive Learning. See Appendix 9.

3 The existing system of Additional Support Funding in the LSC Learning Sectors

3.1 Colleges

3.1.1 The current funding of Additional Learning Support

The guidance for the identification of learners with additional support needs is based on the advice provided previously to the FEFC by a subgroup of its Learning Difficulties and/or Disabilities Committee chaired by Professor John Tomlinson (1996)

The Council recognised that some learners would need Additional Learning Support in order to reach their learning goal.

Additional Learning Support is defined in the Consultation Document as:

“any activity that provides direct support for learning to individual learners, over and above that which is normally provided in a standard learning programme which leads to their learning goal. The additional learning support is required to help learners gain access to, progress towards and successfully achieve their learning goals. The need for additional learning support may arise from a learning difficulty and/or disability, or from literacy, numeracy or language support requirements.”

(Second Stage Consultation on Additional Learning Support Arrangements from 2003/04)

The current LSC Funding Guidance 2002-2003 states that the need for Additional Learning Support may arise as a result of one or more of the following:

- the learner has a learning difficulty and/or disability which has implications for their learning
- the learner needs help with literacy or numeracy
- English is not the language spoken at home and the learner requires language support.

Institutions can claim funding for Additional Learning Support if the costs of the Additional Learning Support provided fall into one of the Additional Learning Support cost bands included in the national rates

Full details of the Guidance for Additional Learning Support are in Appendix 1

3.2 Work Based Learning

3.2.1 Current Funding of Additional Learning Support

In Work Based Learning (WBL) learning support is referred to as Additional Learning Need (ALN). There is a flat payment of £1000 for a learner who is identified as having an ALN. A learner may also have an Additional Social Need (ASN) which also attracts a flat

payment of £1000. A learner who has both ALN and ASN attracts a flat payment of £1500 for both. See Appendix Two for more detail.

3.2.2 Identification of Additional Learning Need

All learners in WBL undertake a Basic Skills Assessment. New requirements intended to enhance the Basic Skills Assessment have been introduced in 2002-2003. The learner either passes or fails the assessment. Learners failing the assessment attract the payment for ALN as described in 3.2.1. WBL Providers reported to us that in order to pass the assessment learners needed a reading age of a seven years old.

3.3 Adult Community Learning

3.3.1 Current Funding of Additional Learning Support

Our review indicated that there is no specific funding for Additional Learning Support in Adult and Community Learning (ACL). The exception to this was an Adult Community College we visited which as well as receiving funding via the LEA also drew down direct funding from the LSC. This institution made a claim for Additional Learning Support funding. See 3.1.1 for details of College Additional Learning Support funding.

3.4 Schools

3.4.1 Current funding of Additional Learning Support

Context

The first stage consultation circular set out the context. It explained that the arrangements governing Special Educational Needs (SEN) are well defined and regulated in legislation and in a detailed statutory Code of Practice.

Around 20% of pupils are identified as having some SEN at some stage of their school career. The vast majority of pupils with SEN have their needs met from the school's mainstream budget because they are not Statemented

The SEN Code of Practice gives guidance on when it is appropriate for a school to request a statutory assessment with a view to a young person being given a statement of SEN. The way that the guidance in the Code is implemented varies from LEA to LEA, as does the percentage of pupils with statements – and whether the funding for statemented provision is delegated to schools or not.

SEN Regulations require LEAs to publish an explanation of the distinction between that element of SEN provision for children with SEN but without statements which the LEA expects normally to be met from maintained schools' budget shares, and that element to be met by the LEA from centrally held funds. This is designed to promote understanding between LEAs and their schools as to the level of SEN it is reasonable for schools to meet from their own budgets.

The legislative duties of LEAs cover their assessment of pupils with SEN, and making, maintaining and reviewing a statement for them where necessary. Parents have rights of appeal to the independent SEN Tribunal.

Under the legislation, the LEA is also responsible for arranging the special educational provision specified in a statement. This includes the individual placement in a mainstream or special school. The LEA funds its maintained special schools often by using a 'place-led' rather than a 'pupil-led' formula, and pays statemented pupils' fees at independent and non-maintained special schools. It is also responsible for the funding for a statement in a mainstream school that is additional to what is expected to be provided by the school through its budget share.

The LSC has funding and planning responsibilities which encompass SEN. For the period of sixth form funding transition, the DfES decided that the Council's funding responsibility to LEAs for post-16 statements should be fulfilled by passing on to the LEA a block sum of money which the DfES determined related to the LEA's historic spend on post-16 statements of SEN.

The LSC currently has no responsibility for learners with SEN but without a statement.

4 **A Summary of the Second Stage Consultation on Additional Learning Support Arrangements from 2003/04 Circular 02/17**

4.1 **Introduction**

The Second Stage Consultation on Additional Learning Support Arrangements from 2003/04 states;

‘The LSC intends to introduce the new funding arrangements for ALS as soon as is practicable. It is envisaged that, for the FE and WBL sectors, this will be from 2003/04. For ACL, the introduction of new arrangements will form part of the formula approach which is the subject of a separate consultation document, Circular 02/16, *Consultation on Arrangements for Funding Adult and Community Learning from 2003/04*. For school sixth forms, given the complexities which surround the funding of special educational needs (SEN) in schools, further consultation is planned to take place during spring/summer 2003 with a view to introducing an approach, which is aligned to the LSC’s common funding principles, in 2004/05 at the earliest.’

The intention is that the new arrangements will be based on a common approach which will ensure that individual learner’s ALS needs are addressed equitably, regardless of where their learning is delivered. In order to achieve this, the funding arrangements might, by necessity, vary between the learning sectors, to take account of any differing characteristics.

Implementation of the new arrangements may need to be phased, depending on the outcome of this consultation exercise, the LSC’s modeling of the potential costs involved and decisions made by the Government on funding for 2003/04 onwards.

4.2 **Funding Options**

The Funding Options as outlined in the Second Stage Consultation document are;

4.2.1 **Option one – standard national hourly rates**

The first suggested approach is one based on a set of **standard national hourly rates** (or flat rates where more appropriate) depending on the type of support (with the ability to apply an area costs uplift where appropriate). The following provides an example for illustrative purposes only:



Type of support	Hourly rate
Specialist communication support – signer	£20

Providers would have the flexibility to apply the appropriate number of hours of support to the national rates in order to claim funding which reflects the actual costs of delivery for each individual. This approach would ensure equity of funding amongst providers and would encourage efficient delivery of provision.

Providers would be required to keep detailed evidence to support the funding claimed, in particular evidence of the assessment of the type of support required and the actual number of hours of delivery. They would not, however, be required to provide evidence of hourly/flat rates.

4.2.2 Option two – ranges of rates

An alternative approach is to establish **range of rates** (hourly and flat rates as in option one) for each type of support which would allow an element of flexibility amongst providers. The following provides an example for illustrative purposes only:

Type of support	Hourly rate
Specialist communication support – signer	£15 - £25

Again, the flexibility of applying actual hours of delivery would be part of the approach. In addition to the administrative requirements specified in option one,

this approach would require providers to provide additional evidence to support funding claims where hourly or flat rates above the minimum are applied.

4.2.3 **Option three – actual costs**

A third approach is based on the reimbursement of **actual costs** (as operates in the FE sector currently) but with the provision of a range of rates for guidance purposes. This approach would not result in an equity of funding amongst providers but would provide the opportunity (but not the requirement) for some increased consistency of practice. It would require providers to keep detailed evidence to support claims for the actual costs, in terms of the assessment of the type of support required, hourly/flat rates and the number of hours delivered to individuals. Of the four options set out, this one would result in the highest level of administrative requirements.

4.2.4 **Option four – flat rates**

The fourth approach is to establish **flat rates** for different types of support, differentiated broadly by mode of delivery but without the flexibility to vary funding claimed based on the actual number of hours of delivery. This approach would be based on average costs for the different types of support. Setting flat rates which could be applied to a diverse range of types and levels

of support would be a highly complex task, the practicalities of which would need to be explored in more detail. The following provides an example for illustrative purposes only:

Type of support	Part-time learner	Full-time learner
Specialist communication support – signer	£500	£1,000

Whilst this approach might be manageable financially for larger providers with a relatively high number of learners with ALS needs, it might be more difficult for smaller providers to manage where, for example, only one learner has ALS needs which might be costed significantly higher than the flat rate. However, of the four options, this approach would require the least administrative work as it would not

be necessary to provide evidence of the actual costs incurred, that is, hourly/flat rates and number of delivery hours.

4.3 **Thresholds for Funding**

As indicated in paragraph 45, Circular 02/04 proposed that one of the common principles of funding should be that there is a minimum threshold below which ALS funding cannot be claimed. That circular signaled that the LSC would wish to consider the most appropriate level for the threshold/s and whether a differential level should be retained for part-time and full-time learners (as exists in the current FE approach).

The concept of thresholds was one of the most debated issues within the first stage consultation exercise. One of the most common themes centred on the need to set these at appropriate levels which do not present a barrier to learners, in particular those on short courses or those with more sporadic ALS needs. Some queried the need to differentiate between full-time and part-time learners.

Having taken into account the issues raised through the consultation exercise, the LSC intends to establish thresholds for claiming ALS funding. The existence of thresholds enables the distinction to be made between the expected or 'normal' level of support for all learners on a programme and what constitutes ALS which could lead to additional funding being made available. Defining normal levels of support can never be precise; a threshold enables funds to be targeted at those with significant needs.

It is also intended that different thresholds should be set for full-time and part-time learners, where this is applicable. In the LSC's formula funding approach, it expects that providers will be able to absorb a percentage of variation between the funding and the actual costs of delivery. Therefore, it follows that providers should be able to absorb a higher level of ALS costs for full-time learners given the funding differential between full-time and part-time learning aims. It is accepted, however, that for **funding purposes** there is no distinction between full-time and part-time learners in the WBL sector as funding for WBL programmes is based on standard lengths of stay. Therefore, the LSC will wish to consider separately how the concept of thresholds might be applied for this sector.

The LSC does, however, propose that the point at which ALS costs can be claimed for part-time learners should vary to take account of the wide range of lengths of part-time programmes. In deciding the appropriate points at which to set part-time thresholds, the LSC will wish to be informed by the cost study being undertaken by the LSDA. However, initial views suggest that it might be appropriate to set three part-time thresholds to take account of shorter programmes: for programmes of less than 60 guided learning hours (glh); between 60 glh and less than 210 glh; and between 210 glh and less than 450 glh (450 glh and above being the definition of a full-time learner).

5 Project Methodology

5.1 Construction of Samples

The sampling methodology was agreed with the LSDA; the providers were also identified and introduced in the same way to establish a representative cross sample.

The review has involved extensive review of additional support activity in a range of provider contexts.

Interviews have been held with providers of education and training nationally to establish a comparative basis for all providers. Four Adult and Community Learning providers were visited; fifteen Colleges of Further Education and 6th Form colleges; five Schools with additional support provision in their Year 11 and 12; and nine Work Based Learning Providers

5.2 Other studies

A wide range of written information was reviewed including Inspection Reports, Provider publicity materials, Funding Guidance and previous reports concerning Additional Learning Support practice and Additional Learning Support funding. (Bibliography refers)

On the basis both of the desk data obtained and the interview findings, an in-depth analysis has been undertaken in order to provide an evaluation of the current Additional Learning Support provision. The outcomes of which are the basis of this Report

See appendices for supporting data.

KPMG is grateful to all those who participated in the review, either by making themselves available for interview and/or by the supply of data.

6 Findings

6.1 The College Sector

6.1.1 Introduction

Our review involved visiting twelve College providers and drawing upon previously gathered information from four other colleges. See Appendix Three for a list of these providers and contact details. Appendix Six identifies the range of Additional Learning Support (ALS) activities identified by providers with costs attached where they were able to cite them.

6.1.2 Analysis of ALS costs collected during the review

Colleges reported a range of costs for tutors against a range of activity during the review. These are detailed in Appendix Six. The most important activity in terms of expenditure was that attached to tutor support, which in the main was carried out by experienced and qualified staff able to carry out learner assessment and able to make judgments regarding placement on programmes and develop support plans. Also, tutors dealt with the monitoring and evaluation of programmes and arrangements regarding course assessment and examination arrangements. This category of cost therefore accounts for the greatest proportion of most colleges' additional support claims. We identified a range in tutor hourly rates from £22 per hour to £45.50 per hour. A more detailed analysis of identified cost can be seen in Table One below

Funding Learning Support Assistants is another significant contribution to the level of a colleges ALS claim. All colleges reported that these personnel were involved with individual one to one support of learners. Also, they were involved in small group support. Not only on programmes for learners with learning difficulties, but on Level One programmes. Several colleges reported that their learning support assistants acted as providers of personal care and social support for the more dependent learners. We identified a cost range in LSA hourly rates of £6.43 per hour to £16.50 per hour for this group of personnel. A more detailed analysis of identified cost can be seen in Table Two below.

Many colleges reported a growth in their support provision for hearing impaired learners. Associated with this is the requirement for colleges to provide communicators, note takers and in some college's specialist teachers for the deaf. We identified a range of tutor hourly rates from £8.23 per hour to £16 per hour for communicators. Note takers were generally paid the same rate as learning support assistants. Teachers of the Deaf are generally paid the same rate as lecturing staff generally. A more detailed analysis of identified cost can be seen in Table Three below

The examples of Additional Learning Support activity identified and reported in the table in Appendix Six are those most commonly and regularly reported by college providers. They are not entered by frequency or magnitude. They are examples provided by the colleges. Many colleges reported their additional support activity by using the Pre-Entry, Entry, On Programme.

It is very difficult to critically compare additional support activity across the FE Learning Sector. Some colleges visited reported a long history of providing Additional Learning Support; others reported that it had only been in recent years that they had begun to develop such a service for learners. Many had previously seen Additional Learning Support as something exclusively for learners with learning difficulties and or disabilities. It has only been in the post Tomlinson Committee Report era that these colleges have seen Additional Learning Support being something that is needs led and an entitlement at the individual learner level.

Much has to do with the college's development of their Management Information Systems. For example, those who have developed a system to effectively record and measure Additional Learning Support activity and associated costing, appear to have a more developed claim in terms of units identified through range of activity, accuracy in recording and consequently number learners in receipt of ALS.

There appears to be some relationship between the size of the college and the relative level of additional support activity taking place. Generally the larger colleges have a broader range of provision ranging from Entry Level programme and a significant number of learners on Foundation Level. These are, in the main, the learners who would require Additional Learning Support. One can compare the level and complexity of Additional Learning Support in Appendix 5 The college with the least Additional Learning Support identified both in terms of variety and volume is a small to medium sized college with most of its Additional Learning Support being delivered to discrete groups of learners with learning difficulties and a small number of disabled learners. The larger, more comprehensive inventory of additional support activity is for a large College of Further Education with an extended history of providing Additional Learning Support to learners with learning difficulties and or disabilities. The college reports that in the several years there has been a significant development of Additional Learning Support services for learners with sensory disabilities. The college now has a national reputation of being a provider for these learners. It has, as a consequence of this profile attracted learners with learning difficulties and or disabilities to the college. Running alongside these developments the college has grown a large basic skills provision, some of it delivered to learners as Additional Learning Support.

There was evidence that most colleges in the review were developing their support for learners with specific learning difficulties such as dyslexia. Some had trained and developed their own staff to carry out assessment and support, others were buying in the services of educational psychologists to carry out assessments, write reports and develop support strategies, others were developing in-house services delivered by their own teaching staff. Typically the services of an educational psychologists would range from £40 per hour for an assessment and report for an individual learner (sometimes taking up to five hours) to £400 for a days visit to the college to carry out batches of assessments and provide written report. Other qualified 'external' dyslexia specialists charged a fixed hourly rate for the complete process. Others charged a rate for an assessment and another rate for reports. See Appendix 6, column, Support for specific learning difficulties e.g. dyslexia

6.1.3 Funding Option

The majority of colleges (9 of 13 visited) preferred to adopt the actual costs option. Three colleges indicated an actual cost model based on a range of standard costs and one college stated a preference for Option Four

College providers offered a variety of reasons for preferring the Actual cost Option. In the main they saw it as being very close to the present mechanism and felt comfortable with it, although they were concerned that the amount of bureaucracy was too high and they would welcome a reduction in the audit burden.

In two colleges there was some divergence of views where the finance staff preferred Option 1 or 2. They felt that this simplified administration and audit

One college identified Option Four making the following statement;

'We like the simplicity of option four, whereby flat rates are based on average costs for the different types of support

6.1.4 ALS costs identified in the College Sector during the review where comparison was possible.

It was possible to identify on a comparative basis three cost elements: those are: Tutor costs: Additional Learning Support Assistants: and Communicators For Deaf Learners. These categories of costs are analysed in the three tables below. See Appendix Six for full details of the costs we identified during our review.

Our review found that tutor costs are by far the largest element of Additional Learning Support cost in those colleges visited. This was the case, even in colleges where there had been a significant investment in the employment of Learning Support Assistants

Some colleges had developed high cost provision designed to meet the needs of specific groups of learners, e.g. sensory impaired learners, learners with significant physical impairment. Much of the cost of this provision was based upon 1:1 LSA support, however there was still a significant element of specialist support tutor cost involved in the general costs

Our review would suggest therefore, that for most colleges the highest element of cost is that put to tutor cost.

Tutor Costs

College	Tutor Hourly Rate £
A	29.30
B	32.22
C	35.44
D	31.33
E	30.03
F	31.50

G	35.45
H	38.00
I	35.00
J	22.00
K	35.00
L	45.85
M	31.55
N	37.00
O	39.74
mean	33.96
1st quartile (25%)	31.42
3rd quartile (75%)	36.23
interquartile range	31.42-36.23

Table 1

Additional Learning Support Assistants Costs

College	Tutor Hourly Rate £
AA	9.16
BB	16.50
CC	7.70
DD	10.40
EE	7.78
FF	6.43
GG	8.50
HH	7.50
II	8.00
JJ	12.09
KK	15.00
LL	7.00
MM	13.09
NN	8.00
mean	9.80
1st quartile (25%)	7.72
3rd quartile (75%)	11.67
interquartile range	7.70-11.70

Table 2

Communicators for deaf learners

College	Tutor Hourly Rate £
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Aa	9.16
Bb	10.40
Cc	9.51
Dd	8.75
Ee	15.25
Ff	16.00
Gg	15.20
Hh	12.09
Ii	8.23
Jj	13.90
mean	11.85
1st quartile (25%)	9.25
3rd quartile (75%)	14.88
interquartile range	9.25-14.88

Table 3

6.1.5 Analysis of data in Tables in 6.1.3

6.1.5.1 Tutor Costs

The interquartile range of £31.42 to £36.23 per hour (mean £33.96 per hour) masks a much wider range of actual costs from £22.0 to £45.90 per hour which reflects more truly the local cost context experienced by the colleges.

In our experience the hourly rate of £22 is unusual. In this College, which has a relatively small total value ALS claim for the FE Sector, four tutors provide ALS, all are experience staff but one is yet to gain a teaching qualification and is paid at a lesser rate. This reduced the average hour rate figure as provided. In a larger College with a bigger ALS claim this individual hourly rate would be less significant on the average hourly rate.

The £45.85 hourly rate was reported to us by a London college.

One college, whose tutor costs are in the 3rd quartile reported that their average teaching costs was high owing to tutor delivering Additional Learning Support were generally the most experienced and long serving. Consequently putting them at the top of the lecturer grade. Many staff in this particular college were on the lower to middle points on the Management Spine.

6.1.5.2 ALS Assistants and Communicators for Deaf Learners

The same point is valid for both ALS assistants (Table 2) and Communicators for Deaf Learners (Table 3) wherein each case the mean masks the wide range of values reported- variations of £7.00-£16.50 per hour against a mean of £9.80 per hour and £8.23-£16.00 per hour against a mean of £11.85 per hour.

6.1.6 Other Cost issues

Several colleges had developed a database to identify some complex issues around costing; there were examples of identified costs for reduced class size from 3 learners in a group through to ten learners in a group. Combinations of tutor/tutor, tutor/learning support assistant. Teacher for the deaf/communicator working with small groups or individual learners. One major college provider visited had identified 126 separate ALS codes for identifying specific learning support activity See examples in Appendix 7

Several colleges have identified and developed a range of costs in different areas of support and across different areas of the college. For example one college had a standard hour for a learning support assistant for support of disabled learners on mainstream programmes identified at £21 per hours whereas a LSA for learners with learning difficulties on discrete provision was costed at £5.25 per hour

In the main the colleges reported a preference for the Actual Costs model outlined in the Consultation Document. This is the system currently practised in the FE sector and is familiar to all colleges. Often colleges have developed systems to identify, assess, support, monitor and review additional support activity. The systems they operate have significant commonality. However, colleges have a strong sense of ownership of their systems and in the main are confident that they work and enable an accurate picture of additional support activity to be presented.

Only a small number of colleges professed a preference for any of the other funding models suggested in the Consultation Document. Their preference was connected with their desire for more guidance at the micro level in terms of such issues as costs of specific activity. One college felt they had little knowledge of the appropriate for such activity as Communication Support for Hearing Impaired learners, another expressed concern about how much they should pay an external agency to convert learning materials to Braille for a newly arrived blind learner.

The colleges' view of issues around equipment costs and associated issues was mixed. Some colleges has a significant pool of equipment acquired over a period of time and used extensively. Others, for a range of reasons, have not developed a resource of equipment. An example of the range of equipment held by one college is shown in Appendix Eight.

6.1.7 Range, diversity and volume of ALS

In Appendix Seven, there are ALS activities detailed for two colleges we visited during the review. Inspection Reports identify a range of grades for the quality of this provision. However, all colleges contacted professed a strong commitment to the further development of this area of their work. They see it as much about underpinning their commitment to Equal Opportunities and addressing the widening participation Agenda. All colleges reported a commitment to the principles of Inclusive Learning, seeing high quality Additional Learning Support as being fundamental to its development

6.1.8 Thresholds for Full and Part time Learners

During our review we were not able to collect material data on learners who had failed to cross the funding threshold for ALS. This means that we are unable to make an

assessment as to what the financial impact would be of reducing thresholds on Colleges ALS claims.

The colleges would like to see a reduction in the learner additional support threshold. One college reported,

'We do not think there should be a minimum threshold for any learners receiving additional support. However, if one should be required this should be based on a minimum level of hours of support rather than a minimum flat-rate costing'

Many colleges were happy with the recommendation of three new thresholds at the lower end of the range. A large FE College with significant part time provision for learners with learning difficulties stated,

'We agree with the proposal that the point at which ALS costs can be claimed for part-time learners should vary to take account of the wide range of lengths of part-time programmes'

6.1.9 Assessment of Additional Learning Support.

Systems for the identification of additional support needs are well developed in the majority of colleges. It would appear that in some Sixth Form colleges the systems for identification and assessments of learners with additional support needs is not so well developed.

Assessment activity in many of the colleges visited starts in the pre-entry and entry stage of the learner's experience. Some colleges have systems in place where colleagues visit schools to meet with staff to discuss the needs of the learners as they progress to the Further Education college. Others see learners at Entry, many of the colleges having well developed screening, initial assessment and further initial diagnostic assessment systems in place. One college visited reported that they had screened and carried out initial diagnostic assessments with 850 full time 16-18 learners in Sept 2002, 98% of this cohort. The assessment identified that many learners (almost 60%) were on programmes of a least one level higher than their test results indicated they should be on. The college then identified where additional support or additional basic skills lessons would address the mismatch. The college reports that it is still working towards resolving the issues identified

6.1.10 Bureaucracy and Audit Guidance

All college providers identified the level of bureaucracy as a major issue of concern. Although many stated that they felt comfortable with the audit process. They frequently expressed uncertainty as to the exact and appropriate level of evidence needed for the audit trail.

All colleges (13) asked for even more detailed standard audit guidelines. Some expressed a concern that there was an 'inconsistency of audit' across the sector depending on the audit firm carrying out the work, (at present further training is being provided in this context to reduce still further these inconsistencies.

There is a need for colleges proactively to engage in a more enabling dialogue with their auditors to ensure consistency and compliance with the audit process.

All providers reported that they would like to see audit guidance which more effectively met the audit process requirements. Some colleges reported that the recently posted **Guidance to Auditors** on the Learning and Skills Council website had proved valuable in assisting them to prepare their ALS claim for audit.

6.1.11 **Staff and Organisation Development**

For many college providers the successful implementation of the actual costs option or any alternative funding model would need a programme of staff and organisational development, for example to help them better identify additional support activity and attaching costs to these. A number of providers suggested that the LSDA could provide support in their management programme.

6.1.12 **Small Groups**

All of the colleges visited operated and claimed for small class sizes in one or more contexts.

The most common example was for small classes of learners described as having severe learning difficulties. Typically these classes could be organised for as few as four learners, through to classes for eight learners. The colleges made an additional support claim based on the 'small class formula' described in the Guidance to Funding 2001-2002.

One college included in our review provided small group classes for as few as two learners described as having profound and multiple learning difficulties. These learners presented very challenging behaviour. The college reported that they felt it inappropriate for these learners to be in larger groups for much of their college experience. Significant levels of additional support funding was claimed for these learners. As well as the small group claim these learners were identified for significant 1:1 learning support assistant provision..

Some learners described as having moderate learning difficulties were often taught in groups of eight

Several colleges reported that some learners with very specific leaning difficulties such as dyslexia or dyscalculia were also catered for in small groups.

Most colleges included in our review provided Basic Skills classes or workshops for a wide range of learners. These classes were often delivered to small groups. Funding was either claimed at the enhanced Basic Skills cost weighting factor or at an individual learner level through additional support funding.

We identified other provision being delivered to small groups in the following contexts:

- Some Level One programmes such as NVQ1 in Horticulture:
- Some Catering Level One programmes where many of the learners in the groups were identified as have learning difficulties, some of them having progressed from

college Entry Level programmes or in some instances from college pre-Entry Level provision: and

- One college visited provided and claimed small groups provision for a class of hearing impaired learners who were, for the majority of their learning on mainstream programmes, but for specific sessions taught 'study skills' as a group using the medium of British Sign language. The college reported that this was the outcome of deaf learners in the college requesting some provision taught through their first language.

6.1.13 Programme Design

There was evidence of some provision where a significant level of additional support funding was being claimed under the 'small class' category of ALS. It was felt that some provision may have resulted from inappropriate programme design rather than the specific needs of individual learners. It was often the result of a limited range of programme levels. For example significant numbers of learners on say a Level One programme (or even level 2 in some colleges) who were functioning educationally at Entry Level or below in some instances. The colleges concerned had little or no Entry Level provision running in the college and had therefore placed these learners on their Level One or two programmes. A small class claim was then made for the whole group, which was indeed being run with eight to ten learners.

All colleges contacted raised issues relating to the 'Towards Independence' provision for learners described as having severe learning difficulties and with significant support needs. There was common concern that this provision, although clearly support intensive and requiring high levels of resource was only programme weighted at A. Many thought that these programmes should have an equivalent weighting to Basic Skills provision. A more generous/appropriate programme weighting would, in the view of some colleges reduce the need for the application of the 'small class formula' many of whom had experienced difficulties at audit owing to some fundamental errors in the identified 'average costs' average class size' and equivalent cost and size of 'specialist provision.'

6.2 Work Based Learning

6.2.1 Introduction

Our review involved visiting 9 Work Based Learning (WBL) providers. See Appendix 3 for a list of these providers and contact details. Appendix 5 identifies the range of Additional Learning Support (ALS) activities identified by providers with costs attached where they were able to cite them.

In comparison to the college sector it proved extremely difficult for the provider to attach costs to Additional Learning Support activity. The reason for this is that the current funding methodology for additional learning need (ALN) is a flat rate payment, and WBL providers are not expected to attach specific costs to a specific additional learning activity. The exception to this was that some providers could identify an hourly tutor rate for ALS. The range reported to our review was £7 to £13 per hour.

From our review it would appear that tutor costs are the most significant element in the total spend on ALS. They employ few specialist staff, for example teachers of the deaf.

See 3.2.1 for an explanation of WBL ALN funding.

Our review focused on Additional Learning Support (ALS). However, all providers wanted it reported that the Additional Social Needs (ASN) of learners would still need to be recognised, and additional funding allocated for this too.

6.2.2 Funding Options

Every WBL provider, apart from one, in the sample visited wanted to move away from the current flat rate payment for ALN (similar to option four), which they perceived to have significant deficiencies, to the actual costs option. Every provider wanting the actual costs option cited that in their view the current flat rate payments for ALN did not allow them to meet the individual needs of learners.

There were a variety of reasons cited by WBL providers for why the current flat rate funding of ALN was not meeting learner needs. These included:

- Learners require an individual approach to Additional Learning Support which meets their particular need. Any flat rate payment, by definition, would not meet this requirement. In terms of funding, inevitably some learners would be over compensated and others under. This is an inefficient use of funding; much better to meet the actual cost of providing the ALS.
- A small number of providers were extremely frank and reported that the current flat rate funding of ALN initiated by a Basic Skills Assessment, (see 3.2.2 for an explanation of the assessment of ALN) resulted in some learners, who just passed the assessment, and would not therefore receive any additional funding, not been offered a placement on a Foundation Modern Apprenticeship. This is because it was thought the learner would not achieve the key skills part of the framework without Additional Learning Support. These learners were offered, for example Other Training instead. Two providers likened this to the poverty trap in the tax and benefits field. This issue links to diagnostic assessment which is discussed below.

6.2.3 Thresholds for Full and Part time Learners

The WBL providers visited accepted that if the actual costs option was implemented then there would be a need for thresholds. The complication for the WBL Sector is that for funding purposes there is no distinction between full and part time learners.

All the providers said that further thought would have to be given to the introduction of thresholds in their learning sector

6.2.4 Identifying Additional Learning Support Activity and Associated Costs in Work Based Learning

A number of the WBL providers said they could currently identify activity which they perceived to be additional. These activities, for learners identified as having an ALN included: additional tutor time for a group of learners; one to one learner-tutor support; more extensive learner reviewing and action planning; and specialist equipment. See Appendix 5 for a complete list of this activity. Other providers were less confident they could identify this additional activity. There was also some slippage from learning needs to social needs. A number of providers said that for some learners it was difficult to

unpick the two, and allocate specific activity to supporting either the learning or social needs of learners.

All providers said they would need to do additional work to attach costs to this additional learning support activity. The current flat rate funding of ALN does not require costs to be attached to specific Additional Learning Support activity. However, some providers visited were able to attach an hourly tutor rate to some additional learning activity. Evidence of tutor hourly rates and other ALS costs identified during our review of WBL providers are identified in Appendix 6. The tutor per hour range reported during the review ranged from £7 to £13 per hour. However, this picture is complicated by some providers using specialist tutor support for this support which was more expensive than the £7 to £13 per hour range. For example, one provider paid a tutor approximately £20,000pa to provide Additional Learning Support, but during the visit it was not possible to calculate this in terms of a per hour rate, though it would certainly be over £15 per hour.

Some providers were also able to attach a cost to a particular piece of equipment they were using to support a learner with an ALN.

During the review it was not possible to establish detailed costing of ALS activity because providers under the current flat rate funding methodology are not expected to do this.

6.2.5 Cost Structure in Work Based Learning

A significant number of WBL providers were concerned that unless their lower hourly tutor costs were recognised they would lose out when thresholds were applied. Their concern is that if they have the same threshold value as the College Sector it will take them many more tutor hours to reach a particular threshold and activate ALS funding.

6.2.6 Speed of Convergence to the Actual Costs Model

All providers recognised that moving from the current flat rate funding model to an actual costs model would present challenges. There was a strong view that this would have to be carefully managed and that a phased introduction of actual costs would be appropriate with a significant pilot of actual costs for 2003/04 and then full implementation for the following year.

6.2.7 Bureaucracy and Audit Guidance

Providers recognised that adopting the actual costs model would involve more bureaucracy and audit scrutiny. However, the view was that this was a price worth paying if it enabled them to meet the individual learning needs of their learners. Many WBL providers were aware of the audit burden on colleges and a number had direct contact with the college sector.

There was concern that the bureaucracy and audit requirements must be reasonable and manageable. This was a general concern but the small providers were particularly concerned that excessive requirements to evidence the Additional Learning Support claim could put an undue strain on their ability to operate.

All providers said that the audit requirements would need to be clear and transparent so there would be no shock at audit.

6.2.8 Initial Diagnostic Assessment

During our review it was reported to us the current Basic Skills Assessment in WBL which is used to identify ALN does not meet the individual needs of learners. This assessment is too blunt. Providers want to be able to develop a more sophisticated initial diagnostic assessment which would meet the needs of the learner to achieve their learning aim. When attached to the actual costs option this would allow providers to draw down the appropriate Additional Learning Support funding.

The providers surveyed recognised that developing appropriate initial diagnostic assessment underpinned all ALS and there would be a development and training support requirement here.

6.2.9 Staff and Organisation Development

To enable the successful implementation of the actual costs option there would need to be a programme of staff development, for example to help them identify additional support activity and attaching costs to these. A number of providers suggested that the LSDA could provide support in their management programme.

In terms of organisational structure some providers recognised that they would have to review and enhance their current organisation arrangements to accommodate the actual costs option. There would, for example be the need to facilitate the audit trail requirements and appoint someone to the role of Additional Support Co-ordinator.

6.2.10 Endorsements from Connexions

The current practice of Connexions endorsing learners for ALN is a issue for a significant number of providers. Some providers said that they had experienced a delay in having learners endorsed. More significantly providers want to have the autonomy to identify the ALN of their learners themselves.

6.2.11 E2E

Some of the WBL providers visited were Pathfinders for E2E. They reported to us that there was an urgent need to develop the funding model for E2E and to review how ALS was going to be funded within it so that the specific individual learning needs of learners could be met.

This is picked up in Section 10, Other Issues.

6.3 School Sixth Forms

6.3.1 Introduction

During the review it became apparent that the schools visited had little or no awareness of the Second Stage Consultation Circular. This significantly affected our ability to gather their views around the issues central to our review.

Schools cannot see beyond Statements. ALS is taking place but not seen as a structured curriculum response to need. This leads us to believe therefore, that it is unsystematic and variable from the point of view of meeting the needs of the learners in School Sixth Forms.

Schools have reliable systems about the identification of prior attainment that may raise questions about the FE orthodoxy of testing on entry - do schools need to, are there other and better sources e.g. the experience gathered during last five years with the learners involved?

We received a mixed reception for the idea of pooling enabling and supportive equipment. Presently most schools have access to the local authorities pool of human, resource and equipment so one could understand their fear that they may lose this and become part of a larger more demanding grouping in the post 16 context

Schools felt that their support systems for pupils up to year 11 was of high quality. Much of this was based on their experience of the Special Educational Needs Code of practice, the expertise of their Special Educational Needs Coordinator (SENCO) and Special Educational Needs Staff. However, low numbers of learners with additional support needs in the Schools Sixth Form challenged the quality and level of support for learners with additional support needs.

Provision presently was based upon the format and content of Statements of Special Educational Needs and the SEN Code of Practice. There appeared to be a lack of knowledge with some providers of the processes associated with Additional Learning Support.

Providers expressed a confusion as to the nature of proposed Additional Learning Support provision as currently practised in FE and Sixth Form Colleges. This was creating some concern in terms of their ability to meet additional learning needs in the future

Several providers expressed alarm regarding the convergence timetable. They reported a significant ignorance of the existing additional support mechanisms in the other learning sectors. It was their view that they were 'far behind' in understanding the system.

6.4 Adult and Community Learning

6.4.1 Introduction

Our review involved visiting four Adult Community Learning Providers. See Appendix Three for a list of these providers and contact details.

Our review identified the following range of activity within the broad context of Adult and Community Learning (ACL):

- Provision carried out from an Adult and Community College or college satellites
- Brokerage systems

- LEA Direct delivery

The current funding of ACL does not require providers to attach costs to Additional Learning Support activity. The only exception to this was ACL provision delivered by an Adult Community College visited which drew down direct LSC funding and also claimed a small amount of Additional Learning Support funding.

It was not possible then to identify costs attached to Additional Learning Support for ACL.

6.4.2 Additional Learning Support Identified

From our visits and communication with the Adult and Community Sector it was difficult to determine a consensus of the level of Additional Learning Support activities taking place in the sector.

There was discussion with all providers visited about what was additional learning and what was just appropriate programme design.. Some providers stated that they had been meeting the Additional Learning Support needs of many learners simply by effective programme design at the learners level

There was some confusion regarding the differences between what was Additional Learning Support activity, Basic Skills provision and discrete provision for adults learners with learning difficulties and /or disabilities

There was little specific Additional Learning Support funding reaching the providers.

6.4.3 Funding Options

Three providers out of four preferred the Actual Costs Option. The fourth wanted a capacity funded model

6.4.4 Convergence to The Actual Costs Option

There was significant concern in our sample of ACL Providers as to the pace of convergence to the actual costs model, if this was the option adopted.

7 Summary of Findings and Common Themes Emerging

7.1 Introduction

Our aim in this section has been to draw together common themes emerging from our review of the four LSC funded learning sectors detailed in the previous section of the report.

7.2 Review of Cost Data Collected

- The major categories of cost identified where direct comparison was possible were Tutor costs and Additional Learning Support Assistant costs;
- For a more detailed profile of Additional Learning Support activity see Appendix 5;
- A mean tutor cost of £33.96 per hour was identified. An inter quartile range of £31.40 to £36.20 per hour was identified;
- For learning support assistants the mean cost identified was £9.80 per hour and the inter quartile range was £7.70 to £11.7 per hour;
- In colleges there is clearly an issue relating to the volume of provision. This is an outcome of the providers approach to Additional Learning Support (ALS), ie the profile of ALS activity in the college and its commitment to it; and
- There is a marked difference in claim resulting from the providers who focus on the personnel attached to this area of work. Some colleges have a higher level of tutor support against LSA support and visa versa. Clearly those who apply tutor support will generate a higher level of cost than those who apply LSA support

7.3 Preferred Funding Options

- The majority of colleges (9 of 13 visited) preferred to adopt the actual costs option. Three colleges indicated an actual cost model based on a range of standard costs and one college stated a preference for Option Four;
- Every WBL provider, apart from one, in the sample visited wanted to move away from the current flat rate payment for Additional Learner Need (ALN) (similar to option four), which they perceived to have significant deficiencies, to the actual costs option. Every provider wanting the actual costs option cited that in their view the current flat rate payments for ALN did not allow them to meet the individual needs of learners;
- In the Adult and Community Learning (ACL) Sector three providers out of four preferred the Actual costs option. The fourth wanted a capacity funded model;

7.4 Thresholds

- The colleges would like to see a reduction in the learner additional support threshold;

- Many colleges were happy with the recommendation of three new thresholds at the lower end of the range;
- The WBL providers visited accepted that if the actual costs option was implemented then there would be a need for thresholds. The complication for the WBL Sector is that for funding purposes there is no distinction between full and part time learners; and
- ACL Providers favoured the lowering of threshold and additional thresholds for part time learners

7.5 Clear Audit Guidance

- All providers consulted were keen to see the further development of clearer audit guidelines for the audit of additional support activity.

7.6 Issues of convergence for the Learning Sectors

- All WBL providers recognised that moving from the current flat rate funding model to an actual costs model would present challenges; and
- There was a strong view that this would have to be carefully managed and that a phased introduction of actual costs would be appropriate with a significant pilot of actual costs for 2003/04 and then full implementation for the following year.

7.7 Bureaucracy and Administration

- All providers would welcome a reduction in the level of bureaucracy associated with evidencing the audit of additional support activity. This would in large part be addressed by the development of clearer audit guidelines on the lines of that already provided for auditors See Appendix 1.

7.8 Assessment of Additional Learning Support

- Methods and focus on assessment across the Sectors was wide and diverse in nature

7.9 Small Groups

- There was evidence that many colleges provided small class provision for a wide range of learners, many with significant Additional Learning Support needs. However, there was evidence that some providers were making questionable claims for small group ALS. This was often associated with inappropriate programme design for the specific group of learners.

7.10 Additional Learning Support and Programme Design

- There is evidence that some college providers apply high levels of additional support to programmes rather than individual learners. Often this is seen as appropriate support, however there is some evidence to suggest that this is the result of poor programme design or learners being placed on inappropriate levels of programme; and
- This is an issue that may relate to providers understanding and practice of initial diagnostic assessment, insufficient range of programme levels and in some cases a

lack of understanding of the principles of Inclusive Learning ie appropriate 'match and fit'

7.11 **Equipment**

- The use of equipment to support learners in colleges was well developed, (for examples of the type of equipment used for ALS see Appendix 8). There was significant divergence of opinion as to the best method of developing this aspect of ALS. There was some agreement in principle to the local pooling of equipment;
- The use of equipment to support learners in WBL is under developed, many providers not being able to meet the high costs associated with some of the more expensive and sophisticated equipment; and
- Many school sixth forms used equipment provided by the LEA Resource Centres

7.12 **Developing a Common understanding of Additional Support Across the Learning Sectors**

- There is significant variation in the level of the additional support mechanism across the sectors. Clearly the colleges, with their relatively long history of operation of the ASM have the better knowledge as do some WBL providers who cater for large numbers of learners with ALN;
- There will be a significant need to develop knowledge understanding and good practice across the range of providers; and
- A strategic development programme, perhaps underpinned by a re-energising of the inclusive learning Quality Initiative in the FE sector and a first stage programme with other providers would be part of the solution to this issue

8 Conclusions

8.1 Funding Options

8.1.1 The scope to establish a national rate

Our review has found that for all the Colleges we visited tutor costs attached to ALS were the most important single cost. If national rates are to be established therefore it would appear that setting a single national hourly tutor rate would be a sensible starting point. **The key benefit of setting a national rate would be the reduction in the audit requirement on colleges and the consequent increase in funding certainty to the provider, who would only have to provide evidence of the level of tutor activity.**

In our view, based on the data obtained from this review, setting a national rate for tutor costs could have initially negative consequences for the delivery of ALS. Whatever hourly rate was set, by definition, some colleges would be below this rate and some above. Our review has shown a wide range of tutor hourly rates see Table 1 above. We are concerned that for colleges who currently have a tutor hourly rate above the set national rate there would be pressure to reduce the quality of ALS with the consequent negative impact on learner retention and achievement.

When the issue of a national hourly rate is extended to WBL, ACL and the Schools Learning Sectors the scope for such a rate in 2003/04 or 2004/05 is limited. Our review has identified a lower hourly tutor rate in WBL, and in the ACL and Schools Learning Sectors basic work needs to be carried out to establish what is ALS before it can be costed out.

In our view discrepancies in costs across the four learning sectors which a single national rate would be intended to reduce or remove are to a large extent the result of different understandings of what can and should constitute ALS for different kinds of assessed learning needs. Hence both within and between the four sectors there are diverse responses to similar situations. The best first step would be to try to create more similarity of understanding and practice. Hence our recommendations for national guidance on what constitutes ,

1. appropriate assessment (both before and during learning)
2. an inspection framework and guidelines
3. audit guidelines.

If this programme of work were tackled, much of the current discrepancy in costs would disappear. Moreover, what remained would be more visible and attributable to causes such as regional cost variations which could be seen to be justifiable or not. In this way the LSC would be seen to be following the lead requested by government in the 2003/04 Grant Letter (5 December 2002) to pursue the principles of the Inclusive Learning Report, widen participation, meet the new requirements of the DDA, and Learning for All. It is also our view that the danger of a bureaucratic burden (cf Trust FE) arising from an Actual Costs model have been exaggerated. Expert opinion is that there is very little additional administrative burden and what there is reflects what would be regarded as

good practice in assessing, monitoring and recording learners' support needs at all stages of their progress. Such information is essential for good learning and it would amply meet audit requirements. The real task is to get this understood throughout colleges, WBL ACL and Schools."

In summary therefore, based on the data and opinion gathered during our review, it would appear the scope to move to a national rate for elements of ALS costs in 2003/04 are limited. As reported to us, standard costs can only be applied if the range of activity and input costs are common within the four LSC Learning Sector. Currently they are not.

In 8.1.2 to 8.1.5 we have developed conclusions using our review evidence against each of the funding options identified in the Consultation Circular.

8.1.2 Option one - standard national hourly rates

No provider preferred this Option. There was little interest in this option other than at the discussion level. Two Finance Directors in two Colleges expressed a preference for this model.

The college data presented in Tables 1, 2 and 3 in Section Six indicates a wide range of hourly rates paid to tutors, Additional Learning Support assistants and communicators for Deaf Learners. The hourly rate for Work Based Learning (WBL) lay well below the rate for any college surveyed. This would suggest even more strongly that a national hourly rate would be inappropriate.

8.1.3 Option two - Ranges of rates

There was some support for this option as it was seen to be providing some cost guidelines for providers, particularly in WBL and Adult Community Learning (ACL). It was recognised that an audit trail would have to be put in place to justify a particulate position in the range. It is our opinion, based on the review, that over time there would be tendency to `drift` to the top of the range to maximise funding. In reality providers would need to justify their actual costs. Better then to have the actual costs model.

8.1.4 Option three – actual costs

The overwhelming outcome from our review is that providers want the actual costs model to be adopted. This view had almost full cross learning sector support. Of the 27 colleges, WBL and ACL providers visited 23 preferred this option.

It would appear that given an appropriate definition of Additional Learning Support (ALS) and of audit guidance and its application, the actual cost model would be the most efficient way to allocate the public funds available.

This would be the most empowering funding model and would best enable providers to successfully meet the ALS needs of their learners.

8.1.5 Option four – flat rate

One college and one WBL preferred this option.

However, there appears to be a strong view in the WBL Sector that the current flat rate Additional Learning Need (ALN) and Additional Social Need (ASN) funding arrangements do not meet the needs of learners and furthermore that the method of identifying and endorsing ALN based on the Basic Skills Assessment does not meet the needs of learners either

8.2 Convergence to Actual Costs

There currently exists a wide variation in ALS practice across the learning sectors. This means that the speed of convergence to the actual costs option will need sensitive and strategic management from the LSC. For FE and Sixth Form College Institutions the new arrangements will not entail significant changes from current practice. Indeed, if our recommendations for clearer audit guidance are implemented it can be argued that the new arrangements will be more manageable than the current ones.

For WBL, adopting the actual costs model will be a significant departure from the present arrangements. From our review it is clear that providers are in different states of readiness to make the change. If the transition from current funding of ALN and ASN is to be successful the process of change needs to be considered carefully. In our recommendations we suggest a pilot of WBL providers moving towards actual costs in 2003/04

For ACL there is a wide variety of practice in terms of ALS activity. There is an understanding in terms of learners' needs, but for most providers there is no need to quantify this activity because it is not separately acknowledged in terms of funding. There are exceptions to this which we observed where ACL was being funded directly from the LSC rather than through the LEA and the ALS funding stream available to Colleges was also available to them. As with WBL there is a need here to converge towards actual costs funding of ALS at a pace that providers can implement successfully.

For schools the requirement for Additional Learning Support for some learners is as necessary as in other sectors. However, the present transitional arrangements are at such an early stage of development that the need to manage convergence carefully is manifest.

Circular 02/17 acknowledges that decisions about schools will not be made for 2004-2005 at the earliest.

8.3 Inflationary Implications of adopting the Actual Costs Option

The cost implication of moving to the actual costs funding option will need to be modelled. It would appear that for Colleges there may be some inflationary effect if the changes to ALS that we are suggesting increase ALS activity in this learning sector. However, replacing the current banded college model with actual costs should not itself have much of an inflationary effect.

In WBL there is likely to be a significant inflationary effect as providers will be able to claim actual ALS based on individual learner's needs compared with current practice and which is based solely on endorsing ALN learners. This significantly under represents the number of learners requiring Additional Learning Support.

8.3.1 **Defining ALS and attaching costs to these activities**

In the College sector there is still a variety of understanding of what is ALS and what can be claimed for. In recent months, there has been increasing clarification of audit requirements in respect of ALS – a process we recommend continue.

8.4 **Thresholds**

Our review has demonstrated clear approval for thresholds to underpin the actual costs option. However, in Colleges where thresholds currently operate (they do not in the other learning sectors) there is clear irritation that the current levels of threshold are too high. It has been put to us that in principle anything that is ALS should be funded as such. In practice though the inflationary implications of reducing thresholds will need to be modelled and the audit cost/benefit of auditing small numbers needs to be explored.

During our review we were not able to collect material data on learners who had failed to cross the funding threshold for ALS in the college sector. This means that we are unable to make a assessment as to what the financial impact would be of reducing thresholds on Colleges ALS claims.

Below we have identified possible levels of thresholds:

Full time learners 450 or more glh £300

Part time learners 210 to 449 glh £200

60 to 209 glh £150

6 to 59 glh £100

A further complication for thresholds will be running the same levels across all learning sectors. For example, it would appear from our review that the levels of payments for staff are lower in the WBL sector than in the College sector. In WBL therefore it will take longer to reach a particular threshold even though the same quantity of ALS has been provided. This would imply that the thresholds in WBL would need to be lower than in Colleges. There may be similar forces at work within the ACL learning sector.

8.5 **Audit Guidance**

There is evidence from our review that there needs to be further work to establish clearer audit guidance for ALS and to facilitate the understanding of audit requirements across the LSC learning sectors. In the college sector, in recent months, there has been increasing clarification of audit requirements in respect of ALS.

8.6 **Bureaucracy and Administrative Requirements**

There is a tension between the actual costs funding option and the level of bureaucracy and administrative requirements needed to support it. From our review there is acceptance of a need for this bureaucracy and administrative burden if it means that individual learner requirements are being met. The learning sectors are spending public money and accept the need for public scrutiny.

The issue is how much? Providers would like these requirements minimised and visible. This would be met in large part by more transparent audit guidance common to all sectors.

8.7 Equipment

Our review has identified general agreement across the learning sectors that there needs to be a pooling of equipment, (See Appendix 8 for examples of equipment used for ALS) Big colleges, as they acknowledged, in fact already have such pools and this reinforces our view that pooling should be established. There are some examples of pools that we have discovered during our review and providers involved in these reported to us that they work well and certainly added value for the learner.

The implementation of equipment pools needs careful consideration and further investigation. It is likely that these pools will be sub-regional and may work best based within LLSC areas.

8.8 Assessment of ALS

Currently there is significant variation in the assessment of ALS both within and between the sectors. In itself this may be no bad thing, especially if it can be demonstrated that the assessment meets the needs of learners. However, our review would suggest that as part of the process of moving to the actual costs option there also needs to be much more commonality of assessment of ALS for individual learners.

8.9 ALS and Programme Design

There is evidence that some college providers do offset poor programme design with ALS funding. This is unacceptable. It is up to the management within individual provider to challenge this where it is happening. Scrutiny of this could also be built into the inspection framework

8.10 Small Group Provision

Small groups are used to provide ALS in a variety of learning circumstances in Colleges and WBL. Our review reveals that there is significant variation in how and why small groups are applied and perceived.

9 Recommendations

The following are our recommendations starting from the identification of learner need and programmes, pedagogy, management, audit and inspection being designed accordingly.

9.1 Funding Option

That the Actual Cost model should be adopted. The system should apply equally to all providers, be transparent and have consistency at a national level through standardisation of practice across audit firms and individual auditors.

9.2 Speed of convergence to the actual costs option

Convergence will need to be managed carefully.

We would recommend that modelling is carried out and pilot schemes developed and run across the LSC Provider base for at least one year before universal application.

9.3 Modelling the possible inflationary aspects of adopting the actual costs model

That models of the likely financial cost in each sector compared with current funding should be constructed and monitored during the implementation of 9.2 above.

9.4 Further work to identify ALS activity

That advice be provided for the development and implementation of guidelines for the better definition of additional learning support activities

9.5 Thresholds

That further work be commissioned to assess the impact of reducing current thresholds and the introduction of multiple thresholds for part time learners

9.6 LSC Sector staff development

That training is devised and provided for all concerned in management and implementation of Additional Learning Support.

9.7 Developing a common language

That a common language for ALS be developed through training and guidance across the sector

9.8 **Audit guidance**

That further work be carried out which builds on the existing and developing audit guidance for ALS.

9.9 **Bureaucracy and administrative requirements**

That there should be significant reduction in the present level of bureaucracy connected with Additional Learning Support claims. To some extent this could be achieved by guidance relating to acceptable levels of cost for particular common activity. E.G. guidance could be given at a national level as to the appropriate cost of a communicator for hearing impaired learners, although regional variation in costs would need to be acknowledged.

9.10 **Equipment**

That a pool be established at sub-regional level to improve the efficiency of equipment allocation to learners in receipt of ALS. This would appear to be an appropriate function of the LLSC.

9.11 **Initial diagnostic assessment of ALS**

That a standard common assessment framework be developed which would identify the learner's Additional Learning Support needs and monitor the learner's needs throughout their learning programme.

9.12 **Small Groups**

That small group provision be based on the identified and assessed learning needs of the learner. Guidelines should be developed to reduce the inconsistency we identified during our review as to how and why small groups are applied to learning. This element of ALS funding should not be claimed where the programme is at an inappropriate level for the majority of learners in the class.

9.13 **ALS and programme design**

That work should be commissioned that seeks to more effectively meet the needs of learners by better programme design, rather than bolstering poor match and fit by inappropriate allocation of Additional Learning Support resources. This development can be supported by the processes in the Common Inspection Framework and the pursuit across the sector of the principles of Inclusive Learning. See Appendix 9

10 **Other issues**

10.1 **Role of Connexions**

During our visits to Work Based Learning (WBL) Providers the role of Connexions in the endorsement of Additional Learning Needs (ALN) was raised. The majority of the providers we studied want to move away from this endorsement model, and towards a system where the provider assesses the additional learning needs of its learners. Some providers cited a problem with bottlenecks, where Connexions had been unable to endorse learners quickly enough which prevented providers meeting the needs of its learners.

10.2 **E2E**

Our review involved visiting two WBL providers involved in the E2E Initiative. It is apparent from these two visits that the vision and nature of E2E is still emerging. Both providers were keen to see E2E given a sense of urgency so these issues could be resolved.

10.3 **Capital expenditure**

Two providers we visited raised the issue of the capital expenditure required to meet the ALS needs of its learners.

Appendix 1

Colleges: the existing system of Additional Learning Support funding

This information is taken from the Funding Guidance 2002/03 and from Guidance to Auditors

In planning its provision for 2002/03, an institution will have prepared an estimate of the funding for additional learning support required for the year. 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.

Where the institution wishes to claim additional learning support funding, the learner's learning agreement should give a summary of the additional learning support to be provided to the learner and a copy of the additional learning support costs form should be retained with the learning agreement.

The additional learning support costs form provides information on the costs of providing additional learning support. It will form part of the audit evidence to be retained by the institution in support of its claim for additional learning support funds. Care should be taken to ensure that planned expenditure does not make disproportionate use of public funds. The claim made should reflect the actual costs incurred and institutions should retain evidence of the costings used.

Once the learners are engaged on their learning programmes, the institution should also be able to make available to its auditors sufficient evidence to show that the additional learning support or any extra funds allocated by the Council for which additional learning support funding is being claimed has been made available to the learner.

Where a learner incurs additional expenditure over and above £19,000 the college may approach the LLSC for additional funds. The college should retain the letter from the LLSC agreeing the claim and authorising the additional payment.

Additional learning support funding, or, where applicable, extra funds allocated by the Council in addition to the maximum rate of additional learning support, must relate to specific individuals.

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.

Institutions should consider how the various documents and auditable evidence required are co-ordinated, and the system for calculating additional learning support costs, and ascribing these costs to the appropriate support band, should be reviewed for compliance with current guidance.

The Council is concerned to ensure the eligibility of claims for additional learning support and would not normally expect institutions to:

- have large numbers of learners just triggering cost thresholds for each support band;
- significantly increase from year to year the proportion of additional learning support funding in the total;
- systematically extend the institution week or year for discrete groups of learners with learning difficulties and/ or disabilities;
- claim additional learning support 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;
- claim additional learning support funding for learners enrolled on franchised provision where the appropriate proportion of funding received is not then passed on to the franchiser;
- systematically claim for literacy or ESOL qualifications in addition to the primary learning goal of a learner.

These areas merit special checking by external auditors, especially where the percentage of additional learning support funding claimed is significant, or has changed significantly from the previous year.

A copy of the additional learning support form (available on the Council website under ISR Audit Information on the Documents page) should be retained with the learning agreement and should be signed by the learner/ parent/ advocate. An integral part of the establishment of the learning support plan is the scheduling of regular reviews. These reviews may result in a reassessment of the support programme. This may lead to changes in the cost. Institutions will find it helpful to ensure that this is systematically recorded.

Generally institutions should complete an additional learning support form when a learner's additional learning support needs are first identified, and may initially have to base them on estimated costs.

For the final funding claim the form must be completed to show actual additional expenditure incurred by the institution.

Where additional learning support funding is claimed for programmes in numeracy, literacy or English for speakers of other languages, it should be in accordance with one of the three options set out in paragraph 13-14 of Annex C of *Funding Guidance for Further Education in 2002/03*.

When checking the withdrawal mechanism, auditors should ensure that institutions have robust systems in place to ensure that learners with erratic attendance due to illness or other legitimate circumstances are identified. In the case of learners with mental ill health or other legitimate reasons for erratic attendance, the institutions should retain evidence of assessment and/ or a notification from the learner/ parent/ advocate/ medical adviser that there is a strong intention to return. In these exceptional cases, the learner need not be

entered as withdrawn within the usual timescales. If the learner fails to return, the withdrawal date should be the last date of attendance.

Where additional learning support funds are claimed for counselling this should be in cases where it is necessary to enable learners to achieve their primary learning goal. In these cases, additional learning support may be claimed even where the provision made is confidential. In order to claim, the institution will need to make a 'manual adjustment' to the final funding claim. Where confidentiality is an issue, anonymised additional learning support forms can be prepared. These will need to justify the costs claimed.

Whilst the actual equipment costs cannot be included as additional learning support, a depreciation charge for equipment may be included. It should be calculated by dividing the actual cost of equipment used by the learner in accordance with the college's depreciation policy. Capital building works are not eligible for funding under the additional learning support mechanism.

Depreciation costs must be claimed in line with the college's depreciation policy and should be calculated by a college's finance department, as it must be shown in the college accounts. The same procedure applies to equipment that is leased rather than purchased.

Detailed guidance:

- Only costs which are wholly exclusively additional should be charged, i.e. posts that would exist without additional learning support cannot be charged as additional learning support (e.g. Principal, Finance Director or MIS Officer).
- 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 learning support.
- Overhead costs directly attributable to the provision of additional learning support and as such not funded from the base unit of resource in recurrent funding may be claimed where the college can clearly demonstrate that the extra costs have been incurred solely for the provision of additional learning support.
- Lecturer cost should be calculated using total teaching staff salaries and on-costs for the year divided by total contracted teaching hours for the year.
- Additional teaching costs could alternatively be calculated based on the actual costs of those involved.
- Teaching support staff salaries should be based on staff salaries plus on-costs and contracted hours.
- Additional hours added to a qualification cannot be reflected in additional learning support costs. These should be reflected in the loadband for the qualification.
- The costs of administration that is directly linked to the delivery of additional learning support for individual learners may be calculated and claimed.

- General costs need to be supportable (i.e. £100 added to each claim for administration and tests is not acceptable). Administration staff costs should not be charged per learner hour, but should be based on costs incurred.
- Where specific administration is dedicated to just additional learning support then the costs could be spread evenly over all learners dealt with within the additional learning support department after excluding those costs allocated based on time records.
- It is not acceptable to inflate the costs artificially by including management and administration that are not directly related to the delivery of additional learning support for learners.
- Cost of initial review is claimable by all where needs are assessed.
- Costs relating to a specific group of additional learning support learners, for example, travel on a Minibus, should be apportioned to these additional learning support learners only and not to all additional learning support learners.
- Where extra IT technicians are employed to provide support to all learners this should only be allowable against learners identified with needs.
- Costings should be reasonable in relation to expected costs. For example where averages, such as average teaching costs, are used in this calculation, the institution should have retained evidence that demonstrates that the values used are reasonable.
- Cost per hour of teaching staff should not normally exceed £41 (London would be higher) without extra evidence (in addition to that provided through the audit programme) to ensure the cost is appropriate. Costs must be supported and compared with actual costs of the college. Standard rates are not to be applied.
- Staff teaching for a proportion of their time at the institution should ensure that only the proportion of their salary related to teaching is included in any calculation of hourly rate.
- Additional learning support costs should not be claimed where a learner requires support in the subject area of their qualification, for example, additional learning support should not be claimed for a learner studying Maths GCSE and receiving extra support in Maths.
- A reasonableness check of actual costs incurred against the funding claimed may be used as an ultimate check on any claim.
- Where additional learning 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.
- 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.
- The programme weighting for basic skills reflects delivery in small groups. If basic skills are taught in groups smaller than usual for basic skills because of learners'

additional learning support needs then funding may be claimed using the small group formula. The average group size for the institution should relate to basic skills in this calculation.

- Where additional learning support is claimed for learners taught in small groups the institution should ensure that the proportion of costs met from the mainstream funding methodology has been removed before costs are charged to additional learning support (see calculation in Figure 1).

Figure 1. Example Small Group size calculation

$$\frac{\text{Cost per lecturer hour}}{\text{Specific Small Group size}^*} - \frac{\text{Cost per lecturer hour}}{\text{Average Group Size for College}} = \text{Cost per learner hour}$$

** This figure will vary depending on the number of learners in the group. This calculation will need to be calculated for each small group size.*

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.

Funding implications

Where additional learning support forms have not been completed for all learners for whom additional learning support has been claimed, or have been completed incorrectly or include ineligible costs, the institution would be expected to correctly complete additional learning support forms for all learners for whom funds are claimed and have them validated by their auditors.

Work Based Learning: Additional Learning Needs and Additional Social Need funding

Additional Learning Support

Three categories of additional support will apply within Work Based learning for 2002/2003. These will attract funding premium;

Additional Learning Need relates to a learners intrinsic ability

Additional Social Need relates to a learners emotional, behavioural and motivational difficulties

Both ALN and ASN

Young people assessed as within the categories of ALN and ASN of this appendix will attract an additional £1000 to the total payment and those in categories ALN and ASN will attract up to an additional £1,500

Young people with Additional Learning Support will learn at the following different levels according to their ability

- Group 1 NVG Learning at Level 1; young people who enter at level 1 must be Assessed as having ALN and/or ASN who, with the appropriate support, are capable of working towards an NVQ/Approved Qualification at level1
- Group 2 NVG Learning at Level 2; young people who enter at level 1 must be Assessed as having ALN and/or ASN who, with the appropriate support, are capable of working towards an NVQ/Approved Qualification at level2
- Group 3 Foundation Modern Apprenticeship: Young people assessed as having ASN or ALN but who, with the appropriate support, are capable of working towards an FMA
- Advanced Modern Apprenticeships; it is not expected that young people identified as having ALN and ASN needs will benefit immediately from entering provision leading to an AMA

Appendix 3

Provider visited made during the review

Provider	Contact
Colleges	
Wolverhampton College	Leslie Donohue Assist Principal
Craven College Skipton	Ann Bennett Student Support Manager
West Kent College Tonbridge	Karen Richardson Learning Support Coordinator
Lowestoft College Lowestoft	Gwen Parsons Principal
Newark College Newark	Peter Towner Director of Student Services
Westminster Kingsway London	Judith Cuninghame Head of LS and Development
Weymouth College Weymouth	Jayne Hardy-Shakespeare MIS Manager
Bishop Burton College East Yorkshire	Mark Musselle Learning Support Manager
Hull College Hull	Russ warren Director of Widening Participation
Hereward College Coventry	Keith Robinson Assistant Principal
Stoke on Trent	Brian Taylor Finance Director
City of Bristol	Nella Stokes Head of Learning Services
South east Essex 6 th Form College Southend	Jill Whight Head of learning Support
Winstanley College Wigan	Fran Pridham Head of Student Service
WBL Provider	
Trinity WBL Wolverhampton	Karen Blanchett
Birmingham Rathbone Birmingham	Peter Little Chief Exec
Rathbone Manchester Head Office	Chris Frost Chief Exec
NACRO Manchester Office	Craig Harris National Education Director

Rock House Training Stoke on Trent	Tamara Bond Operational Manager
The Harrington Scheme Highgate, London	Joanne Baxter Scheme Leader
Haringey Adult Learning Services London	Michael Wheeler
JHP Nottinghamshire	Debbie Harris
Blenheim Organisation (Wolverhampton College)	
Schools	Contact
Parrs Wood Manchester	Andy Shakos Director of 6 th Form studies
Ryburn Valley Yorkshire	Ian Adam Headteacher
Walker Newcastle	Tony Brody Headteacher
St Benedict's Derby	Chris Reynolds
Orchard School Newark	Sharon Jefferies
ACL	Contact
Wakefield LEA	Peter Elliot
Sheffield LEA	Elaine Fawcett
Derbyshire County Council	Donald Rae Assistant Chief education Officer Adult learning
Chelmsford Adult Community Education	Christine Bradshaw Principal

Summary of information collected from Providers

Adult and Community Learning

Provider	Contact	Learners in receipt of ALS Funding	Total learners	% of total learners in receipt of ALS	Expenditure	Preferred Option	Part time threshold	Agree with 3 PT level	Equipment Pooling
Sheffield LEA	Elaine Fawcett	Not applicable	Not available	N/A	No data available	Actual cost	No view	No view	Agree with pool
Wakefield LEA	Peter Elliot	Not applicable	Not available	N/A	No data available	Actual Cost	No threshold	No view	Agree with pool
Derbyshire County Council	Donald Gray Assistant Chief education Officer Adult learning	Not applicable	26,000	N/A	£6.5m LSC Funded £2.5 other funds e.g.	Actual costs with some guidance as to costs	No view	No view	Already looking to pool equipment within the local LSC
Chelmsford Adult Community College	Christine Bradshaw Principal	LSC 1200units	2446 enrolments 30,462 units LEA 4,469 enrolments =£200,000	4%	Direct funding from LSC and from LEA LSC	Option 2/3	Thresholds accepted	No view	Would be great help

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Colleges and 6th From Colleges (2001-2002 data)

Provider	Contact	Learners in receipt of ALS Funding	Total learners in college	% of total learners receiving ALS	ALS Units claimed	Total Unit Claimed 2001-2002	ALS % of Total institution claim	Preferred Option	Current threshold	Agree with 3 PT level	Equipment Pooling
Colleges											
	Assistant Principal	1400	18,600	7.5	80,000	800,000	10	2/actual cost	Too high	Agree	Agreed
	Student Support Manager	200	15,900 900 FT 15,000 Pt	1.2	34,000	186,000	18	Actual Cost	Too high	Agree	Not agree
	Learning Support Coordinator	669	15419	4.3	54,224	550,000	10	Option one	Too high	Agree	Not agree
	Principal	670	1300 FT		28,000	300,000	9	Range/actual costs	Too high	Agree	Could see benefits
	Director of Student Services	88	7000 1000FT	1.1	12,255	No data available	N/A	Actual Cost	Too high	Agree	Could see benefits
	Head of LS and Development	1,038	17,750	5.8	62,000	1,113,000	5.5	Actual cost	Too high	Max of 2	Could see the benefits but not themselves
	MIS Manager	410	8,500	4.8	50,000	500,000	10	Actual cost	Too high	Agree	Could see benefits
	Learning Support Manager	350	2200	16	33,000	Data not available		2/3	Too high	Agree	Could see benefits
	Director of Widening Participation	1229	30,000	4	120,000	1,100,000	12	Actual Cost	Too High	yes	No but can see the benefits for some colleges
	Assistant Principal	147	560 Including 106 residential	26	43,000	58,000	74	Actual costs	Too high	No view	Specialist equipment available in house
Provider	Contact	Learners in receipt of ALS	Total learners in college	% of total learners receiving	ALS Units claimed	Total Unit Claimed 2001-2002	ALS % of Total institution	Preferred Option	Current threshold	Agree with 3 PT	Equipment Pooling

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		Funding		ALS			claim			level	
	Finance Director	1200	32,500	3.6%	125,000	1,300,000	9.6%	Actual costs Lower thresholds	Too high	No	No
	Head of Learning Services	4,060	32,000	12%	161,000	1,200,000	13%	Actual cost	Too high	Agree	Some benefits
	Head of learning Support	167	3200	10%	21,760	No data available	Not applicable	Actual cost	No view	No view stated	Beneficial
	Head of Student Service	117	1443	5%	7600	310,000	2.4%	Actual cost	No view	No view	Is already part of consortium that shares equipment

Schools 6th Forms

Provider	contact	Learners with Statements of SEN	Total learners 16-19	Part time threshold	Agree with 3 PT level	Equipment Pooling
	Director of 6 th Form studies	6	364	N/A	N/A	No
	Headteacher	14 statements 4 other needs	173	N/A	N/A	Yes based on the LEA model
	Head teacher	5 Statemented	175	N/A	N/A	
	Head teacher	No data available	280	N/A	N/A	Pool system would be good would it work

Work based learning Providers	contact	Learners in receipt of ALN/ASN	Total learners	% of total learners	Total Claim	% ALN ASN	Preferred Option	Part time threshold	Agree with 3 PT level	Equipment Pooling
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		18	No data available		NDR	NDR	Actual cost		No view expressed	
		400 see Commentary	400	100%	NDR	NDR	Actual cost Must be Lower than FE	Lower than FE	No view expressed	Enable works well Follow up
		3,400	4,000	85%	NDR	NDR	Actual cost	Lower	No view expressed	Would be beneficial
		1200	1400	80%	NDR	NDR	Actual Costs	Lower	No view expressed	Would be beneficial
		15 ALN 2 ASN	30 AMA 30 FMA 20 NVQ	21%	NDR	NDR	Actual cost	No view expressed	No view expressed	Would be beneficial
		13 ALN 10 ASN	13 NVQ1	100%	NDR	NDR	Actual Cost	Make it a % threshold?	No view expressed	No view expressed
		209 ALN/ASN	1788	11.6%	NDR	NDR	Actual Costs	A realistic threshold	Seems reasonable	Would be beneficial
		30 ALN	140	21%	NDR	NDR	Flat Rate	No view expressed	No view expressed	No view expressed

The Twenty most common Additional Learning Support activities reported across the learning sectors during the review.

- Pre entry visits to schools
- Pre assessment activity
- Additional diagnostic assessment
- Educational psychologist
- 1-1 tutor support
- Small group tutor support
- Basic skills ALS
- Learning support assistant (LSA) 1-1 support
- Reduced class sizes
- LSA small group size
- Communicators for deaf learners
- Teachers of deaf learners
- Teachers of blind learners
- Review of support
- Exam consideration

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- Evaluation of support
- Additional administration
- Counselling
- Speech Therapy
- Dyslexia support

Source Visits to Colleges 6th Form college Work Based Learning Providers and Adult and Community Education Providers

Appendix 6

Colleges: costs attached to Additional Learning Support activity identified in the review

Most of the following costs are stated as a tutor hourly rate (THR) in £ and pence. Where this is not possible a total in £ and pence has been given eg dyslexia report, shown in bold type

Provider	Teaching Staff Costs						Learning Support assistant Costs				Support for Deaf Learners Costs			Review, Examinations and Management of Additional Support. Predominantly Tutor costs						External Input, assessment and support for learners with specific learning difficulties e.g. dyslexia			
	Pre ~Entry visits to School THR	Pre Entry Assessment activity THR	Additional Diagnostic assessment	ALS Coordinator	1:1 Tutor Support THR	Small Group Support Tutor THR	LSA Support THR Care Assistant	Personal Support THR	LSA Small Group Support THR	Communicator for deaf learners THR	Note Taker THR	Teacher of the Deaf THR	Tape Braille Services THR	Review of Support THR	Exam consideration THR	Invigilation THR	Evaluation of Support THR	Additional Administration	Educational Psychologist	Dyslexia Assessment	Dyslexia Report THR	Dyslexia Support THR	
	29.33	29.33	29.33	29.33	29.33	29.33	9.16	9.16	9.16	9.16	9.16	N/A	N/A	N/A	29.33	29.33	29.33	29.33	29.33		N/A	29.33	29.33
	33.22	33.22	33.22	33.22	33.22	33.22	16.50	-	-	16.50	16.50	16.50	N/A	N/A	33.22	33.22	33.22	33.22			N/A	33.22	33.22
	35.44	35.44	35.44		35.44	35.44	7.73	7.73	8.60	7.73			N/A	N/A	35.44	35.44	35.44	35.44		250	N/A		
	31.33	31.33	31.33	31.33	31.33	31.33	10.40	N/A	10.40	10.40	10.40		N/A	N/A	31.33	31.33	31.33	31.33	-	N/A	100		
	36.33	36.33	36.33	36.33	36.33	36.33	9.91	13.00												40ph			
	30.03	30.03	30.03	30.03	30.03	30.03	7.78	7.78	7.78	7.78	9.51	9.51	N/A	none	30.03	30.03	30.03	30.03	10.83	N/A	30.03	175	30.03
	31.5	31.5	31.5	31.5	31.5	31.5	5.25	5.25	5.25	5.25	8.75	8.75	40	none	31.5	31.5	31.5	31.5	none	LEA	31.5	31.5	31.5
	45.85	45.85	91.70	45.85	45.85	45.85	8	5.25	5.25	5.25	8.23		40		45.85	45.85	10		94.2	400	45.85	137.55	
		35.45	35.45		35.45	35.45	7.20			7.20	15.25		37	7.20	35.45	16.20		35.45					

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	35.45			7.20				7.20	7.20			7.20					35.45			N/A	35.45	35.45	35.45
	38	38	38	38	38	38	8.50			8.50	16	10	N/A	N/A	38	25	-	38	-	-	100	38	38
	35	35	35	38	35	35	8.5	8.5	8.5	8.5			40		35	35	35	35	-	450		35	35
	22	22	22	22	22		7.5				15.2		52			11.20		BC		290			
	35	35	35	35	35	35	8	8	8														
	31.55	31.55	31.55	31.30	31.55	31.55	12.09	12.09	12.09	12.09	14.35	13.16	30.25		31.55	31.55	31.55	31.55	31.55	140	36.55		34.16
	37	37	37	37	37	37	7	7	7	7	7				37	37	37	37				37	37
	39.74	39.74			39.74	39.74	13.09	13.09	13.09	13.09	13.09		39.74			39.74		39.74			39.74	39.74	39.74
Provider	Pre ~Entry visits to School THR	Pre Entry Assessment activity THR	Additional Diagnostic assessment	ALS Coordinator	1:1 Tutor Support THR	Small Group Support Tutor THR	LSA Support THR	Care Assistant	Personal Support THR	LSA Small Group Support THR	Communicator for deaf learners THR	Note Taker THR	Teacher of the Deaf THR	Tape Braille Services THR	Review of Support THR	Exam consideration THR	Invigilation THR	Evaluation of Support THR	Additional Administration	Educational Psychologist	Dyslexia Assessment	Dyslexia Report THR	Dyslexia Support THR

Source Visits to Colleges and College publicity materials

THR Tutor Hourly Rate

Blank space no data reported

N/A Not applicable to institution

(no detailed costs reported from WBL and ACL)

Source Visits to Colleges and College publicity materials

Appendix 7

Example of additional support activity identified by two colleges visited.

College One

List provided that itemised all types of additional support provided

- Guidance
- Internal and external liaison and communication
- Monitoring
- Enlarging materials
- Equipment
- Communication support
- Pre-entry assessment
- Speech therapist
- Mealtime support
- Work experience support
- IT Support
- Transport between activity sites
- Educational psychologist

College 2

The range of additional support activity is itemised below

Code	Description	
2E	Numeracy 1:12 W/C	
55	ESOL 1:5 W/C	
47	Tutor Support HEADWAY S/G 1:7	
60	Franchise: Small Group 1:8	
59	Assessment - Franchise	
58	Franchise: Small Group 1:5	
57	Franchise: Small Group 1:7	
56	Franchise: Small Group 1:6	
2C	Tutor Support Bridging Tracks 1:14 W/C	
48	Literacy/Numeracy 1:6 W/C	
23	Literacy/Numeracy 1:4 W/C	
19	Assessment CET	
32	Cost Recommended Equipment	
14	Tutor Support 1:1	
22	Literacy/Numeracy 1:3 W/C	
21	Literacy/Numeracy 1:2 W/C	
20	Literacy/Numeracy 1:1 W/C	
18	Personal Care	
17	Learning Support Co-Ordinator	
16	Tutor Support FIRST STEPS 1:7 S/G	
30	H.I. Communicator	
02	Tutor Support KEYSTONE S/G 1:8	
03	Tutor Support HEADWAY S/G	
01	Assessment L/S	
04	Preparation Of Materials	
05	Additional Admin	
06	Tutor Support Visually Impaired S/G 1:8	
07	V.I. Support	
08	Depreciation Of Equipment	
09	Support Worker	
10	Examination Support	
11	Training In Use Of Equipment	
12	Pre-Entry Liaison	
13	Counselling/ Behaviour	
15	Numeracy 1:3 S/G	
24	Literacy/Numeracy 1:5 W/C	
25	Literacy/Numeracy 1:8.5 W/C Twin-	
26	Literacy/Numeracy 1:9 W/C	
27	Literacy/Numeracy 1:7 W/C	
28	Educational Psychologist	

29	Assessment - Dyslexia	
31	H.I. Co-Ordinator	
33	Tutor Support H.I. 1:5 W/C	
34	Tutor Support Catering 1:6 S/G	
35	Literacy 1:4 S/G	
36	Tutor Support Catering 1:6 W/C	
37	Tutor Support Catering 1:5 W/C	
38	Literacy/Numeracy 1:8 W/C	
39	Tutor Support Catering 1:7 S/G	
40	Literacy 1:10 S/G	
41	Tutor Support START 1:8 S/G	
42	Transport Between Sites	
43	Tutor Support TRACKS 1:9 S/G	
44	Literacy 1:11 W/C	
45	Tutor Support 1:2 S/G	
46	Tutor Support 1:8 W/C	
49	Assessment	
50	Tutor Support CROSSROADS S/G 1:8	
51	Tutor Support M/Vehicle 1:6 S/G	
52	Tutor Support M/Vehicle 1:8 S/G	
53	Tutor Support HEADWAY S/G 1:9	
54	Literacy 1:7 S/G	
72	Numeracy 1:1 W/C	
73	Numeracy 1:7 W/C	
61	Tutor Support COLLEGE START S/G	
62	Tutor Support TWIN-TRACKS S/G	
63	Tutor Support ENTRY TRACKS S/G 1:6	
64	Literacy/Numeracy 1:12 W/C	
65	Tutor Support 1:5 S/G	
66	Tutor Support V.I 1:6 S/G	
67	Tutor Support DUET S/G 1:10	
68	Tutor Support Catering 1:10 S/G	
69	Tutor Support Catering 1:13 W/C	
70	Tutor Support 1:8 S/G Lit/Num	
71	Tutor Support HEADWAY S/G 1:6 Duet	
74	Numeracy 1:6 W/C	
75	Tutor Support 1:2 W/C	
76	Numeracy 1:8 W/C	
77	Numeracy 1:7 S/G	
78	Numeracy 1:2 W/C	
79	Numeracy 1:3 W/C	
80	Tutor Support EFL S/G 1:6	
81	Tutor Support EFL S/G 1:7	
1F	Tutor Support 1:7 W/C	
82	Tutor Support IOT W/C 1:18	

83	Tutor Support IOT W/C 1:13	
1G	Small Group 1:9	
1E	Literacy 1:12 W/C	
2D	Numeracy 1:5 W/C	
84	Tutor Support V.I. S/G 1:6	
85	Tutor Support VOYAGER 1:6 S/G	
86	Tutor Support VOYAGER 1:6 W/C	
87	Tutor Support VOYAGER 1:7 S/G	
88	Tutor Support VOYAGER 1:7 W/C	
89	Tutor Support VOYAGER 1:3 W/C	
90	Dyslexia Support 1:4 S/G	
91	Dyslexia Support 1:3 S/G	
92	Dyslexia Support 1:2 S/G	
93	Dyslexia Support 1:5 S/G	
94	Literacy/Numeracy 1:12 W/C	
95	Numeracy 1:4 W/C	
96	Literacy S/G 1:5	
97	Small Group 1:10	
98	Tutor Support VOYAGER 1:4 S/G	
99	Tutor Support VOYAGER 1:4 W/C	
1A	Tutor Support VOYAGER 1:3.5 W/C	
1B	Tutor Support VOYAGER 1:10 W/C	
1C	Literacy/Numeracy 1:14 W/C	
1D	Numeracy 1:11 W/C	
2A	Tutor Support Voyager 1:9 W/C	
2B	Tutor Support Voyager 1:9 S/G	
2F	Numeracy 1:5 S/G	
1H	Tutor Support Learning Pays 1:6 W/C	
1J	Tutor Support Learning Pays 1:6 S/G	
1K	Tutor Support V.I. 1:4 S/G	
2G	Tutor Support V.I 1:7 S/G	
1P	Tutor Support VOYAGER 1:3 S/G	
1M	Tutor Support VOYAGER 1:5 W/C	
1N	Tutor Support VOYAGER 1:5 S/G	
1Q	Tutor Support VOYAGER 1:10 S/G	
2H	Tutor Support 1:9 W/C New Horizons	
2J	Tutor Support 1:9 S/G New Horizons	
1R	ESOL 1:10 W/C	
1S	ESOL 1:17 W/C	
1T	Tutor Support 1:4 W/C	
2K	Tutor Support NVQ2 Catering 1:10.5	
2L	Franchise S/G 1:2	

Appendix 8

Example of inventory of additional support equipment held by a college visited

Visually Impaired unit	Visually Impaired unit	Disabled toilet	Access Centre
Software: Speech synthesiser. 10 x headphones. 2 x Dictaphones. 2 x Speaking calculators. Braille labeller. Magnifier with lights x 16 x Portable cassette recorders. 2 x Mini speakers. 2 x Expand CCTV. 6 X Extension leads. Braille keyboard. 4X Foot operated cassette recorders. Shorthand Braille typer. Yamaha keyboard. 2 x Scanners and Cicero software. Personal reader. 2 x Talking microwave ovens. 2 x Free standing CCTV.	4 x Monitors. Dream write keyboard. Braille speak. Braille note taker. Voice label reader. Voice diary. Battery charger. Interactive whiteboard. Fotoparl dictation machine. Braille computer. H I Unit Computer. Cupboard. 4 x Filing Cabinets. 2 x Desks. 3 x Computer chairs. Computer desk. 2 x Tables. 3 x Chairs.	Toilet with handrails and privacy curtain. Sink with handrails. Sink at wheelchair height. Shower with seat and curtain. Couch. Hoist. Soap dispenser. Anti bacterial soap dispenser. Cupboard for supplies including disposable gloves aprons wipes, and antibacterial soap. C B 1 S W Room 6 X Tables 2 x Single desks. Cupboard. Filing cabinet. Narrow drawer filing cabinet. 9 x Low Chairs.	Lap top P C. Computer and printer. Fridge. Camera. Didgi camera. Tape player. Tape recorder. C D Radio Cass Pl. 2 x O H P T v video. 2 x Screen. Guillotine. Photo Copier. Greenhouse. Washing Machine Cooker Fridge Freezer Tumble Drier Set of Pans Washing equipment. up

CCTV.	4 x Low chairs.	3 x Office Chairs.	Cleaning equipment.
O H P.	Small table.		Ironing board.
4 X Angle lamps.	T V video and stand.	C B 2 L A Room	Microwave oven.
10 x Trolleys.	Narrow drawer filing cabinet.	5 x Desks	Set of crockery and cutlery.
Smartview CCTV.	Heater.	2 x Computer Desk.	Kitchen utensils.
Radio.	Fan.	3 x Tables.	8 Chairs.
2 x Braille embossers.	2 x Uniphones.	4 x Filing Cabinets.	3 x Wheelchairs
8 x P C.	2 x Personal sound systems.	3 Computers.	
8 x Zoomtext screen reader software.	2 x Personal loop systems.	Printer	Access 6 12 x Computers with tables and Chairs.
2 x Jaws screen reader software.	Tape recorder.	6 x Chairs	4 x Printers.
6 x Brailers.	Video camera and tripod.		Laser Printer.
31 x Tables.	Multimedia Microphone.		13 Classroom tables and chairs.
15 x Office chairs.			Desk.
3 x Desks.			A4 laminator.
3 x Filing cabinets.			Filing cabinet.
2 x Steel cupboards.			Cupboard.
Key cupboard.			C D Player.
Fuse embosser.			Guillotine.
			6 X Tracker balls.
			2 X Joysticks.
			2 x Finger guards.
			3 x Spare keyboards.
			2 x Intellikeys keyboards.
			A 3 Laminator.

			10 V Techs. Scanner.
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Appendix 9

A note on Principles of Inclusive Learning

As we state in our Recommendations (9.13), all the associated work necessary to implement the new funding regime for ALS (staff development, assessment guidance, audit guidance and the inspection framework) should be based on the principles of the Report of 1996, *Inclusive Learning*. We therefore include this note.

“ Central to all our thinking and recommendations is the approach towards learning, which we term ‘inclusive learning’, and which we want to see adopted everywhere”....

The focus should be on “ the capacity of the educational institution to understand and respond to the individual learner’s requirement. This means that we must move ... towards creating an appropriate educational environment; concentrate on understanding better how people learn so that they can be better helped to learn: and see people with disabilities and/or learning difficulties first and foremost as learners.

It may sound simple, even obvious; but it has profound consequences. There is a world of difference between, on the one hand, offering courses of education and training and then giving some learners who have learning difficulties some additional human or physical aids to gain access to those courses, and on the other hand, redesigning the very processes of learning, assessment and organisation so as to fit the objectives and learning styles of those learners. But only the second philosophy can claim to be inclusive, to have as its central purpose the opening of opportunity to those whose disability means that they learn differently from others.” (*Inclusive Learning* (1996) p.4).

This is the justification for funding additional learning support. But the funding will only be used most effectively if there are in place:

- appropriate assessment procedures, both pre-entry and during the learning process;
- appropriate management by providers of their resources;
- an inspection regime which reinforces the importance of matching the learner and the teaching environment;
- an audit regime which supports these processes and which is generally and easily understood.

These required conditions lead to:

- the need for staff training, of both teachers and managers, in both provider institutions and all levels of the LSC;
- the need for a revised audit scheme;
- the need for an appropriate framework of inspection; and,
- the need for LSC to promote inclusive learning not only in individual providers, but systematically in areas and regions, not least because some provision is expensive and must be concentrated where it will be most effective.

Glossary

ALS	Additional Learning Support
ACL	Adult and Community Learning
ALN	Additional Learning Need
ASN	Additional Social Need
WBL	Work Based Learning

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