Department for Education

Research to understand spend by 16-19 institutions on additional needs

Research report

December 2015

Ben Bryant, Natalie Parish and Verity Prime – Isos Partnership

Contents

List of figures 3

List of tables 4

Acknowledgements 5

Executive summary 6

Background to the research: Aims, context and our approach 12

Chapter 1: How do 16-19 institutions plan and evaluate their spending on support for students with additional needs? 20

Chapter 2: On what do 16-19 institutions spend their resources to support students with additional needs? 32

Chapter 3: How do 16-19 institutions use their discretionary bursary funding? 57

Chapter 4: Do 16-19 institutions think the current mechanism for funding support for students with additional needs is fair and effective? 67

Chapter 5: What are the challenges 16-19 institutions are facing and what are the implications for how they support students with additional needs? 72

Conclusions and implications 81

Glossary 88

Bibliography 89

Annex A: Profiles of seven hypothetical young people 91

Annex B: Funding template 97

Annex C: Review of the international evidence on spend by 16-19 institutions on meeting students' additional needs 98

List of figures

Figure 1: What we mean by ‘students with additional needs’ 13

Figure 2: Sample of institutions that took part in the research 15

Figure 3: The breakdown of the proportion of 16-19 institutions’ spending on supporting students with additional needs in the academic year 2014 to 2015 34

Figure 4: Five common categories of direct support for students with additional needs 35

Figure 5: Institutions’ responses to the profiles of the seven hypothetical young people with additional needs 49

Figure 6: How the most effective 16-19 institutions plan, use their resources, and evaluate the effectiveness of their support for students with additional needs 83

List of tables

Table 1: Summary of key findings about institutions' spending on the five categories of additional needs support 45

Table 2: Change in spending by FE colleges and school sixth forms between 2013 to 2014 and 2014 to 2015 52

Table 3: Table showing spend on additional needs as a proportion of 16-19 funding formula allocation for FE colleges and schools in 2013 to 2014 and 2014 to 2015 53

Table 4: Table showing the proportion of students with additional needs in FE colleges and school sixth forms in 2013 to 2014 and 2014 to 2015 54

Table 5: Proportion of students receiving the discretionary bursary and spend per student reported by FE colleges and school sixth forms for the academic year 2014 to 2015 61

Acknowledgements

The research was conducted by a small team from Isos Partnership comprising Ben Bryant, Natalie Parish and Verity Prime. The research team was supported by our expert associate, Karina Kulawik, who helped us to develop some of our research tools, specifically the profiles of seven hypothetical young people we used in our fieldwork. Our partners from the National Foundation for Educational Research's (NFER) Centre for Information and Reviews, Sharon O'Donnell, Amanda Taylor and Hilary Grayson, undertook a rapid review of the existing research literature on this topic at the outset of the research. Dr Daniele Bernardinelli at the NFER Centre for Statistics constructed the sample of 16-19 institutions that were invited to take part in the fieldwork.

We are grateful to colleagues from all of the 20 institutions we visited during the research, who generously gave their time and expertise to support this research project.

Executive summary

Background to the research: Aims, context and our approach

In spring 2015, the Department for Education (DfE) commissioned Isos Partnership to undertake research to understand how institutions plan, evaluate and spend their funding on supporting students with additional needs. We explored what institutions were spending in terms of direct support for current students with additional needs, other facilities from which students with additional needs would benefit, and support for prospective students. By 'additional needs', we mean any student who requires support additional to and different from an institution's core offer of teaching and learning, but whose needs do not meet the threshold for high-needs funding.

Our research focused on two aspects of additional needs funding – first, institutions' use of their 16-19 formula funding, including the disadvantage element within it, and second, their use of the discretionary bursary fund. In 2014 to 2015, the overall national 16-19 education budget was £6 billion. Approximately £600 million was distributed to institutions through the disadvantage element within the 16-19 funding formula. The budget for the discretionary bursary scheme was £180 million.

We selected a random stratified sample of 20 mainstream 16-19 institutions, including school sixth forms, further education (FE) colleges, sixth-form colleges, commercial/charitable providers and a land-based college. We gathered evidence on institutions' spending through semi-structured fieldwork interviews, profiles of hypothetical students with additional needs (annex A) and a funding template (annex B), which we have presented in this report.

Chapter 1: How do 16-19 institutions plan and evaluate their spending on support for students with additional needs?

All 20 16-19 institutions used their formula allocation flexibly to meet the needs of all students.

We found that all 20 institutions treated their 16-19 formula allocation as a single pot of income from which to fund provision to meet the needs of all of their students. They all treated their discretionary bursary funding as a separate "balance sheet" exercise. Institutions argued that this was important for strategic reasons and, particularly among school sixth forms and smaller institutions, to remain viable. In terms of planning additional support, colleges and larger institutions were more likely to have processes specifically for planning additional support *programmes*. In school sixth forms and other smaller institutions, planning of additional support was more likely to be implicit in institutions' curriculum and staffing planning, with decisions about additional support taken specifically on their individual needs.

Few of the 16-19 institutions we visited routinely broke down the costs of their support for individual students.

Very few of the institutions we visited reported that they routinely broke down the costs of their additional support at an individual student level. This is, perhaps, unsurprising, given that national policy has moved away from ring-fencing funding and from requiring institutions to report how they spend specific pots of ring-fenced funding. Institutions also suggested that identifying the support costs for individual students with additional needs was complicated by the fact that both the students and their needs could change over the course of an academic year, and that it was difficult to differentiate the support given to students with additional needs from provision that was offered to all students.

All of the institutions that we visited described ways in which they would evaluate the *cumulative* impact of additional support on progression and destinations for individual and groups of students. Only a quarter had processes in place for evaluating the *relative* impact of specific interventions. This is not to say that all 16-19 institutions should know the cost of supporting each student and isolate the impact of each intervention a student receives. For planning purposes, however, it is important that institutions know the relative cost-effectiveness of different interventions.

Chapter 2: On what do 16-19 institutions spend their resources to support students with additional needs?

The majority of 16-19 institutions' spending on additional needs went on providing direct support to current students.

In 2014 to 2015, institutions reported spending 88% of their additional needs expenditure, not including their discretionary bursary, on direct support for current students with additional needs. We found that institutions' spending on **direct support** for current students with additional needs fell into five common categories.

a. All institutions offered **pastoral support**, including tutors / mentors and provision of careers advice, but many found it hard to quantify what was spent on students with additional needs. Pastoral support was often less formalised in school sixth forms, and delivered as one aspect of a staff member's role.

b. All institutions offered **support to students who did not yet have a C in English and/or mathematics**. The support offered depended on the proportion of an institution's cohort that needed this support: FE colleges reported that 30%-41% of their students required this support; in school sixth forms the figure was 2%-5%.

c. All institutions offered **learning support** linked to students' study programmes. In colleges, this included a range of one-to-one support, small group support and assessment, and accounted for the largest proportion of their additional needs spending (45%). Learning support, including differentiated teaching and catch-up classes, accounted for 19% of school sixth forms' additional needs spending.

d. All institutions offered **financial assistance**, including through the discretionary bursary. Six institutions, either colleges in deprived areas or institutions in rural areas, reported using formula funding for additional transport support (between 7% and 16% of their additional needs expenditure), in addition to what was being spent on transport through the discretionary bursary.

e. Almost all institutions offered **welfare, emotional and mental health support**, such as counselling and pro-active monitoring. FE colleges reported spending between 2% and 13% of their additional needs expenditure on this. Expenditure was harder to quantify for school sixth forms – one reported spending 4%.

Other, indirect, support that would benefit students with additional needs accounted for 6% of institutions' additional needs expenditure. All institutions described making available quiet study space for students who did not have suitable space to study at home. On average, FE colleges reported spending 3% (ranging from negligible amounts to 6%) and school sixth forms 6% (ranging from 2% to 11%) of their additional needs expenditure on this. Half of the institutions also reported using their funding (1% on average) on training related to supporting students with additional needs.

Institutions reported spending 6% of their additional needs expenditure on **support for prospective students** with additional needs. Institutions reported that this was a larger task for colleges and non-school providers than school sixth forms given that, for the former, a significant proportion of their intake each year were new students. This had an implication in terms of the resources used for external liaison and initial assessment.

FE colleges and other providers reported taking a greater number and wider range of students with additional needs than school sixth forms.

Responses from the institutions to the hypothetical profiles showed that FE colleges and other providers, and to a lesser extent sixth-form colleges, reported meeting a wider range of student needs than school sixth forms. The responses also showed that school sixth forms reported that they would be unlikely to have students who did not have a C in English and/or mathematics, due to their entry requirements or because they no longer offered vocational programmes. These are illustrated in the figure below (which appears as Figure 5 on p.49).

This picture is supported by the data we collected. This suggested that, on average, a higher proportion of the students in FE colleges required additional support (48%, ranging from 34% to 64%) than school sixth forms (30%, ranging from 5% to 50%). The data also suggested that FE colleges had seen this proportion increase in the last two academic years, particularly in relation to students who did not have a C in English and mathematics. School sixth forms reported that they had seen the proportion of students with additional needs decrease. Furthermore, FE colleges reported spending a greater proportion of their overall formula funding on additional needs over the last two academic years (17% in 2013 to 2014, 19% in 2014 to 2015) while school sixth forms' expenditure

on additional needs had remained constant (9%). The data from commercial / charitable providers were similar to that reported by FE colleges.

	Pallavi (Mental health, C in E&M)	**Jasper** (Sensory, physical, learning needs, no C in E&M)	**Romesh** (Low prior attainment – no C in E&M)	**Tom** (previously excluded, has C in maths, not English)	**Jasmine** (Caring for mentally-ill parent, C in E&M)	**Sienna** (Previously NEET, young parent, no C in E&M)	**Kiaan** (Care-leaver, attendance issues, C in English, not maths)
FE colleges and other providers (includes land-based colleges and commercial / charitable providers)	**All colleges would have Pallavi** – pastoral, welfare support, key-worker (£1k-£1.5k)	**All would have Jasper** – debate about whether he would meet high-needs threshold (£4k; £14k if high-needs)	**All would have Romesh** – in-class support, booster in E&M, self-help skills (£2.5k)	**All would have Tom** – pastoral, monitoring, E&M catch-up (£800-£3.4k)	**All would have Jasmine** – flexible study, counselling, young carer support (difficult to estimate)	**All would have Sienna** – many have "fresh start" programmes, childcare (£1.8k-£3.3k)	**All would have Kiaan** – pastoral, welfare, housing (£3k)
Sixth-form college	**Would have Pallavi** – study support, counselling (2.5k)	**Would have Jasper** – small group, E&M and study support, equipment (£4k)	**Would have Romesh** – small group, study support, assessments (£3.9k)	**Would not have Tom**	**Would have Jasmine** – counselling, liaison with agencies (difficult to estimate)	**Would not have Sienna**	**May have Kiaan** – pastoral, welfare, housing, E&M
School sixth forms	**All would have Pallavi** – pastoral, welfare support	**Only two would have Jasper** – adaptations, in-class support	**Only one would have Romesh**	**Less than half would have Tom** – mentoring, monitoring	**All would have Jasmine** – pastoral, welfare support	**None would have Sienna**	**Most would have Kiaan** – pastoral, multi-agency support

Chapter 3: How do 16-19 institutions use their discretionary bursary funding?

Institutions took similar approaches to determining eligibility for and receipt of the discretionary bursary, but applied these criteria differently.

All institutions set eligibility criteria based on an indicator of economic deprivation and conditions of receipt related to students' attendance and progress. Institutions applied these differently, however, to reflect local needs. Institutions took one of two approaches to planning their discretionary bursary spend. Just less than three quarters (14) used a "fixed rate" approach, where they set a specific rate at which the discretionary bursary was paid. The remainder used a "fixed pot" approach, whereby payments were based on projected need and available resources. Under both approaches, analysing need and planning expenditure were vital to ensure the discretionary bursary was spent effectively.

Half of the institutions that provided data reported that they expected their discretionary bursary spending to be broadly in line with their allocation for 2014 to 2015. The remaining half were evenly split between those who reported spending more than their allocation and those whose data indicated an underspend. Of the latter, two of the three institutions were small, and the apparent underspend may have reflected where they were in the academic year and year-to-year fluctuations in uptake.

Just over half of the institutions we visited paid the discretionary bursary via regular payments into students' bank accounts.

Two thirds of institutions paid the discretionary bursary to students wholly or partially by means of payments into students' bank accounts. Just over half of the institutions we visited did so by means of small, regular weekly or fortnightly payments. The remainder paid the bursary by a combination of different means – for example, in-kind support for transport and weekly payments to cover subsistence and equipment. Almost all institutions said that the discretionary bursary was spent on books and study equipment, transport and meals. In a third of institutions, it also went towards visits, university open days or enrichment trips. Almost all institutions had processes in place to ensure that the discretionary bursary was spent on educational purposes. A very small minority of institutions described using the discretionary bursary to continue to provide EMA-style payments, and that it was largely up to students how their bursary payments were spent.

Chapter 4: Do 16-19 institutions think the current mechanism for funding support for students with additional needs is fair and effective?

The majority of institutions considered that the current formula approach was the most effective and fair mechanism for distributing additional needs funding.

Three quarters of the institutions we visited were in favour of the current approach. They argued that this provided much-needed flexibility to meet the needs of all students, as well as helping institutions to remain viable. The remainder said that they would prefer a ring-fenced budget. All institutions recognised the importance of leadership and ethos in ensuring resources were used effectively to foster inclusive, student-focused additional support. Likewise, institutions valued the discretionary bursary, both in terms of being able to provide financial assistance to students who needed it and the discretion to arrange the bursary to meet local needs.

Institutions identified four concerns relating to 16-19 additional needs funding.

a. **"Element 2" of high-needs funding** – institutions reported that confusion about this was having a knock-on effect on the resources institutions had to spend on students with additional, but not high, needs.
b. **Transport** – institutions argued that inadequate local transport impaired young people's choices about post-16 study and access to education.
c. **Emotional and mental health support** – institutions reported that they were seeing rising demand for this, but diminishing local services.
d. **Lagged funding** – institutions argued that lagged funding, whereby institutions' funding is calculated based on student numbers from the last academic year, did not always support institutions that were growing rapidly or seeking to develop new provision.

Chapter 5: What are the challenges 16-19 institutions are facing and what are the implications for how they support students with additional needs?

16-19 institutions reported facing a set of four common challenges, but the implications are different for different types of 16-19 institutions.

a. Tighter budgets
b. Increasing supply of post-16 places at a time when the cohort is declining
c. Responding to national policy and accountability reforms, including the condition-of-funding relating to English and mathematics
d. Increasing demand for specific forms of additional support while local support services diminish

The implications of these challenges were different for different types of institutions. For **school sixth forms**, the challenge was, in the face of greater competition, to recruit sufficient numbers of students who wanted to study academic subjects for their sixth forms to remain viable. **Sixth-form colleges** were responding to these challenges by offering a broader range of study programmes, which had widened the pool of potential students, but also broadened the range of additional needs for which they would need to develop support. **FE colleges and other providers** reported that a growing proportion of their cohorts were students who required additional support, particularly students who did not yet have a C in English and/or mathematics at GCSE. They were considering how they could meet growing demand, while developing the capacity to support students who did not yet have a C in English and/or mathematics.

Specialisation among 16-19 institutions is not a new, nor necessarily unwelcome, development. The institutions we visited foresaw a risk, however, that if these trends continued, some institutions would not be able to offer the right study programmes and support. They considered that this could limit choices, particularly for students with emotional and mental health needs, high-achieving students with complex additional needs, and those at risk of becoming or who had been NEET.

Around three quarters of institutions considered that 16-19 institutions would need to collaborate in order to sustain their 16-19 study programmes and additional support. We found few examples, however, of collaboration related to supporting students with additional needs. Such collaboration, where it did exist, was either through regional or national peer networks or informal exchanges between institutions to deliver aspects of a student's study programme.

Background to the research: Aims, context and our approach

Aims of the research

In spring 2015, the Department for Education (DfE) commissioned Isos Partnership to undertake research to understand how institutions spend their funding on supporting students with additional needs. Following significant reforms of 16-19 study programmes, accountability measures and funding arrangements, the DfE wanted to understand the different ways in which 16-19 institutions supported students with additional needs and, specifically, how they were using their resources to do so.

The research had three aims.

a. **To gather information about how 16-19 institutions plan and evaluate the effectiveness of their support for students with additional needs**, and how this informs how they use their resources.

b. **To gather information about how 16-19 institutions spend their funding to support students with additional needs**, and to understand the proportion of their budgets that were spent on additional support and how this matched their funding allocations.

c. **To gather information about how 16-19 institutions anticipate their spending on supporting students with additional needs changing in the future**, the challenges they are anticipating, how they are planning to respond, and their reflections on national 16-19 funding policy.

We recognise that different institutions not only arrange and allocate, but record, label and account for their funding in different ways. For this reason, we sought to focus our research on a set of common areas of spending so that we could compare findings across different types of 16-19 institutions. We focused specifically on three forms of support:

a. **direct support for current students** – resources that were spent on providing direct support for students with additional needs, such as support in the classroom, student support services or specialist equipment;

b. **other support for current students** – resources that were not spent directly on supporting individual students, but that provided facilities from which students with additional needs were likely to benefit, such as dedicated study spaces or specific additional needs training for staff; and

c. **support for prospective students** – resources that were used to support outreach and transition-planning activities in order to engage students with additional needs who join the 16-19 institution in the future.

Scope of the research

Before explaining the approach that we took to the research, there are three points we wish to make to explain the way the scope of the research was defined.

What do we mean by 'students with additional needs'?

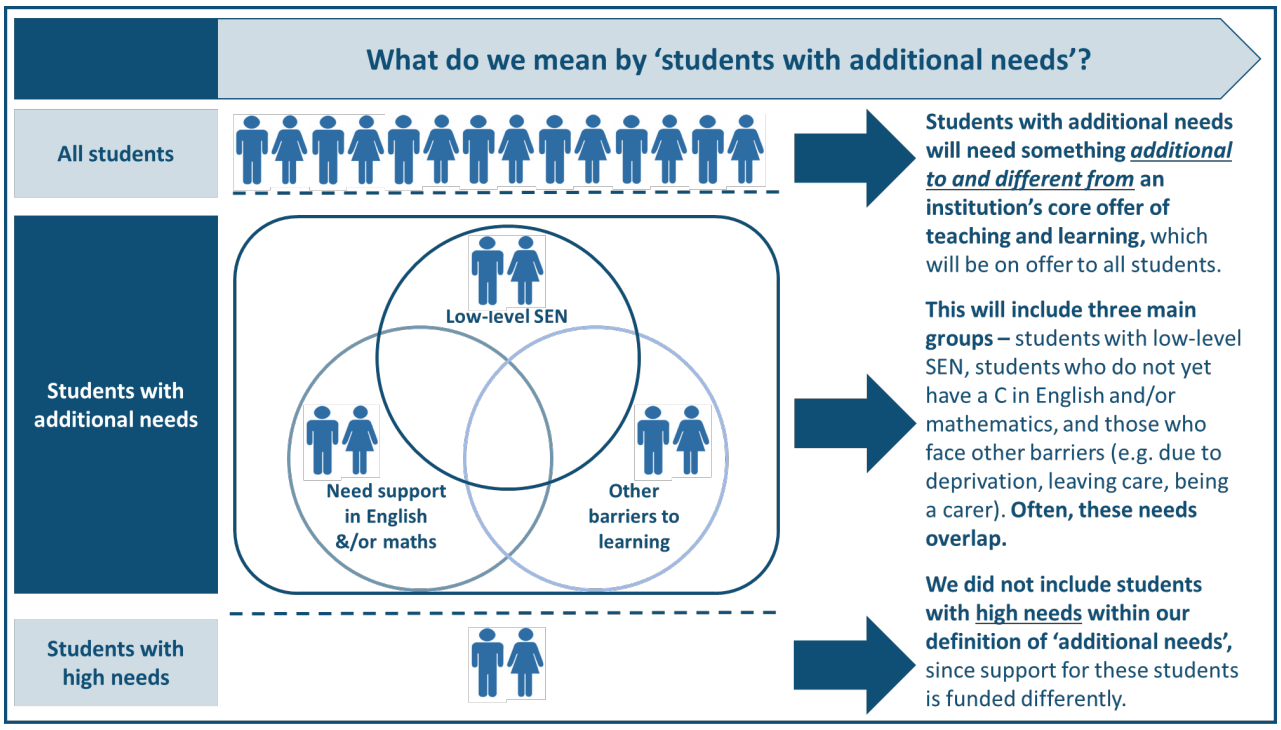
The term 'additional needs' is one that can mean different things. For this reason, we wanted to define the term clearly at the outset of this research. As Figure 1 illustrates, by 'students with additional needs', we mean any student who:

a. requires some form of support that is *additional to and different from* an institution's core offer of teaching and learning that is on offer to all students; and

b. may have low-level special educational needs (SEN), not yet have a C grade at GCSE in English and/or mathematics, or may be facing other barriers to learning (due to deprivation, leaving care, being a carer), or may have needs that include some or all of these things; but

c. does not meet the threshold for high-needs top-up funding – since this support is funded differently, and we wanted to explore how institutions used their own resources to support students who needed additional support.

Figure 1: What we mean by 'students with additional needs'



Which 16-19 institutions did we visit?

Our research focused on mainstream 16-19 institutions. These included school sixth forms, sixth-form colleges, further education (FE) colleges, commercial/charitable providers, and land-based colleges. We did not include the sixth forms of special schools or specialist post-16 institutions since, in almost all cases, these institutions support students with high needs. Since our focus was on supporting students with additional, but not high, needs, the institutions we sought to engage in this research were mainstream 16-19 institutions.

Which forms of funding did we explore?

We focused specifically on the way in which institutions were using:

a. **their formula funding** – specifically the disadvantage element, but more broadly the way in which 16-19 institutions were using their overall formula funding to support all students including those with additional needs; and

b. **their discretionary bursary funding** – specifically how they were arranging this to support students facing barriers to participating in post-16 education.

Our approach

In order to fulfil the aims of the research, we approached this project in three phases.

Phase 1: Developing our research strategy and sample of 16-19 institutions

During the first phase of the project, we undertook two main activities.

The first activity we undertook was to select a sample of institutions to take part in the research. We worked with our partners at the NFER Centre for Statistics to construct a sample of 20 16-19 institutions to take part in the research. In a diverse sector of over 3,000 institutions, constructing a sample that was as broadly representative as possible was always going to be challenging. The approach we took was to ensure we had a good spread of different types of 16-19 institutions, but a significant number of school sixth forms and FE colleges, since these are the most common types of 16-19 institutions. We also sought to include sixth-form colleges, commercial/charitable providers, and land-based colleges.

We also wanted to ensure that our sample of institutions reflected three other factors:

a. **geographical spread** – we selected institutions from four geographical areas (North, South, Midlands and London);

b. **amount of disadvantage funding received** – we selected institutions based on whether the disadvantage element of their 16-19 formula funding reflected a high, medium or low proportion of their overall 16-19 funding; and

c. **size of the institution** – we selected institutions of a range of sizes in terms of the number of 16-19 students at the institution.

Having set these parameters, we then constructed a random stratified sample of 20 mainstream 16-19 institutions. We constructed an initial sample of 20 institutions, with substitutes for all of the relevant types of institutions within the sample. Institutions were then contacted in early June 2015 and invited to take part in the research. Where an institution was not able to take part, we were able to substitute another institution with similar characteristics, which was then invited to take part. The final sample of institutions that took part in the research is in the table below.

Figure 2: Sample of institutions that took part in the research

Type of 16-19 institution	Number in sample	Institutions included
FE colleges	8 (40% of the sample)	Blackburn College, Bromley College, Canterbury College, North-East Surrey College of Technology (NESCOT), Riverside College (Widnes & Runcorn), Shrewsbury College, Walsall College, City of Westminster College
Schools with sixth forms (including maintained schools, academies, and academies in multi-academy trusts)	7 (35%)	Bushey Meads School, Dagenham Park CofE School, Dallam School, St Anne's Catholic High School for Girls, St Benedict's Catholic High School, Saltash.net Community School, The Marsh Academy
Sixth-form colleges	2 (10%)	Ashton Sixth Form College Palmer's College
Commercial / charitable providers	2 (10%)	Skills Training UK Hill Holt Wood
Land-based colleges	1 (5%)	Hadlow College

The second activity we undertook during this phase was a rapid review of current research from the UK and internationally on how 16-19 institutions spend their resources to support students with additional needs. This work was carried out by our partners from the NFER Centre for Information and Reviews. A short summary of this review is set out below; a fuller summary of the international evidence we identified is included at annex C of this report.

Overall, we found that the existing evidence related specifically to how resources are used to support students with additional needs in post-16 was limited. In the UK context, the most relevant research literature related to bursary payments and other schemes that sought to keep students engaged in post-16 education.

In England, an evaluation of the discretionary bursary scheme found that most 16-19 institutions in England used an income-based criterion to distribute the bursary (Callanan et al, 2014). They also found that just over half of the institutions they engaged (58%) paid the bursary to students in the form of bank payments and just over a third paid the

bursary in kind (35%). Most institutions reported spending the bursary on transport, equipment, books, trips and meals. Around three quarters (78%) of institutions perceived a positive impact on students' participation. A study by Ofsted and the Association of Colleges also looked at ways in which seven case study colleges had used their resources to support students to stay in post-16 education (Ofsted and the Association of Colleges, 2014).

A review of the Financial Contingency Fund in Wales likewise found that support for post-16 students at risk of not staying in education was used to fund items such as transport and meals (Bryer, 2013). This study found that institutions varied significantly in terms of how they allocated the fund, but found that, overall, the fund was having an impact on student enrolment, attendance and retention. In Scotland, a study of three pilot schemes designed to encourage the participation in post-16 education of young people in care or care-leavers highlighted the importance of institutions being able to use funding to enable staff to work closely with students prior to and after enrolment and liaise with external agencies (Connelly et al, 2011).

Internationally, there is a growing body of work on how different jurisdictions fund support for SEN, but relatively little on how they fund support for students who face other barriers. One study carried out by the European Commission found that, in over half of 32 European countries studied, education funding was allocated to schools or intermediate authorities in a way that took into account any additional learning needs pupils may have (European Commission et al, 2013). The most common characteristics used to determine funding levels, found in 17 countries, were pupils' mother tongue and ethnic background. Six countries used the provision of classes for non-native speakers to determine the authorities or schools that received additional funding, rather than the characteristics of students themselves. Students' socio-economic background was taken into account less often. Indeed, the UK was one of only five countries (the others were Belgium, France, the Netherlands and Slovakia) that used this factor in their funding system. The report did not comment on why the use of socio-economic factors was less widespread as an indicator of students' additional needs than, say, students' mother tongue or ethnic background.

Another pertinent international study we found was carried out by the Organisation for Economic Co-operation and Development on support for disadvantaged children from early childhood to upper secondary level (OECD, 2012). This study highlighted that formula funding, recognising the cost of supporting disadvantaged students, was most conducive to equity, and that programme-specific funding could be bureaucratic and difficult to administer. It also notes that, in addition to the UK, Spain, Mexico and New York offered financial assistance or rewards to disadvantaged students to remain in education and progress. The study found that funding could play an important role in counteracting the way in which the costs of items such as books and transport could influence disadvantaged students' choices about post-16 study. The study identified the positive effects of such schemes, but also the potential complexity and high costs.

We also identified two studies of schemes in the United States that had focused on supporting disadvantaged students. The first examined the operation and impact in New York City of Title I, a federal funding mechanism which provides grants to school districts to improve educational programmes in schools with high concentrations of students from low income families (Weinstein et al, 2009). This study found that the Title I mechanism increased direct expenditure more in high schools catering for 15- to 18-year-olds than it did in elementary and middle schools. It also found that student-teacher ratios improved by just over one student, but that the greater number of teachers included many less-experienced individuals and the number of teachers with over five years' experience declined substantially. The study did not identify an impact on outcomes of Title I funding in eligible high schools.

Another study examined a state-level disadvantage funding model, the Disadvantaged Student Supplemental Fund, piloted in North Carolina (Henry et al, 2010). The study found that there were three categories in which increased expenditure might be 'plausibly linked' to higher performance on the state's end-of-course tests for 15- to 18-year-olds in high schools. These were regular classroom instruction (mainly salaries), professional development and instructional support. The study found that test scores improved for all high school students, not only those who were disadvantaged, so the gap between the two groups did not narrow.

We used the findings of the literature review to inform the key themes and questions we explored during our fieldwork. A fuller summary of the international evidence we reviewed is set out at annex C.

Phase 2: Fieldwork engagement with 20 institutions

The fieldwork ran from June to October 2015. During this time, we carried out in-depth visits to each of the 20 institutions in our sample. In each institution, we invited the principal / headteacher, the person responsible for finances, and the person responsible for student support to be part of a semi-structured interview. These discussions focused on four main themes, which are set out in the box below. We used these themes to construct a question framework, which we used during our fieldwork interviews.

Our research themes and questions

Theme 1: Planning and evaluating – How do 16-19 institutions plan their support for students with additional needs? How do they evaluate the (cost-)effectiveness of this support, and how does the latter inform their planning?

Theme 2: Use of formula funding – On what do institutions spend their resources to support students with additional needs? What proportion of their resources are spent on providing direct support for current students, on providing other, indirect, support for current students, and engaging prospective students with additional needs?

Theme 3: Use of discretionary bursary funding – How do institutions arrange their

discretionary bursary schemes and allocate bursary funding to help students overcome barriers to participating in post-16 education?

Theme 4: Future plans – In what ways are 16-19 institutions anticipating the ways in which they use resources to support students with additional needs will change in the future? What are the factors and challenges affecting this and how are they planning to respond? Are there ways they think national 16-19 funding policy could be improved?

As part of our in-depth fieldwork discussions, we also used two additional research tools to help us capture this information.

a. **Profiles of seven hypothetical young people** – we developed a set of profiles describing the additional needs of seven hypothetical young people. We used these to explore the ways in which different institutions would meet these young people's needs. The profiles were not designed to be representative of all young people's additional needs, but rather to focus on specific needs and forms of support in which we were interested. The profiles are included at annex A.

b. **Funding template** – we also developed a short template that we asked institutions to complete with data on the characteristics of their students with additional needs and estimated spending on support for those students for the academic years 2013 to 2014 and 2014 to 2015. We anticipated that institutions would record their spending in different ways, and developed this template in order to attempt to capture information in a consistent form that would enable us to draw comparisons across the institutions we visited. The template is set out at annex B.

We have used the information gathered from these tools throughout this report, particularly in chapter 2 (on institutions' use of their formula funding) and chapter 3 (on institutions use of the discretionary bursary funding). In total, 19 of the institutions we visited provided us with responses to the hypothetical profiles – our analysis of these responses is set out in Figure 5, in chapter 2. In relation to the funding template, not all institutions were able to provide us with data on their actual or estimated spending on support for students with additional needs. In total, just less than three quarters (14) of institutions provided data on their spending and/or student characteristics. Not all of the 14 institutions provided us with all of the information that we requested. For that reason, some of the analysis we have presented draws on data from fewer than 14 institutions. We did receive data from all but one FE college and all but two school sixth forms. Since these were the largest groups of 16-19 institutions in our sample, and since we received data from sufficient numbers of them, in most instances in chapters 2 and 3 we have drawn our main comparisons between school sixth forms and FE colleges. We have then used the data we received from other providers to add to this analysis.

In constructing our analysis and this report, we have been mindful of the need to avoid identifying responses from individual institutions. We have, however, highlighted instances of good practice that were described to us by particular institutions in a small number of case studies throughout this report.

Phase 3: Testing and reporting

In the final phase of the fieldwork, we collated and analysed the evidence that we gathered through our fieldwork discussions, responses to the hypothetical profiles and data provided through the funding template. We were fortunate in having regular opportunities to test our emerging findings with colleagues from the DfE and EFA. Their input and knowledge of the national policy context and the wider 16-19 education system have been of great benefit as we have constructed our final research report.

As we have said at the outset of this report, we are grateful to colleagues from all of the 20 institutions we visited during the research. During busy periods at the end of the summer term and at the start of the academic year, they generously gave their time to support this research project. The research has benefited enormously from the open and frank way in which they engaged with our questions, and their insights into the 16-19 education sector and the way in which it supports students with additional needs.

Chapter 1: How do 16-19 institutions plan and evaluate their spending on support for students with additional needs?

In 2013, the previous coalition government introduced a range of reforms to funding for 16-19 education institutions. These reforms were designed to support the reforms of post-16 study programmes and accountability set out in Professor Alison Wolf's 2011 *Review of vocational education* (Wolf, 2011). In funding terms, reforms introduced in 2012 created a new 16-19 national funding formula.

There are two elements of additional needs funding for 16-19 institutions. The first is an element, within the 16-19 national funding formula, called 'disadvantage funding', while the second is a ring-fenced funding stream for institutions to make discretionary payments to students who would not be able to stay in education without financial assistance.

Disadvantage funding recognises that some institutions will have a greater proportion of students who require some form of additional support, and seeks to ensure that those institutions receive funding to enable them to meet those students' additional needs. The aim of this disadvantage element is to enable institutions to meet the costs of providing additional support to students with additional needs. There are two parts to 16-19 disadvantage funding:

a. **economic disadvantage** – this uses the index of multiple deprivation as a factor to allocate funding on a sliding scale to institutions that serve more deprived communities; and

b. **low prior attainment** – this factor recognises students who have not yet achieved a grade C or better in English and/or mathematics at GCSE, and allocates resources to those institutions whose intake includes a greater proportion of those students. Low prior attainment is also used a proxy measure for students with SEN, since evidence suggests there is a reasonably good correlation between low prior attainment and some forms of SEN.

The disadvantage element of the 16-19 national funding formula is not ring-fenced. Instead, it is a funding mechanism designed to help ensure institutions' formula funding reflects fairly the needs of their students. There is no expectation that institutions should spend the exact amount of their disadvantage funding on students who need additional support – the formula gives institutions the flexibility to use their formula funding to meet the needs of all of their students.

The discretionary bursary fund enables institutions to identify students who need additional financial assistance to continue their education and allocate funding for items such as transport, meals or equipment. The EFA's guidance suggests that it is good

practice to use the bursary to pay for items that students may need in kind, rather than making cash payments, and to do so weekly, which students say they prefer.

In 2014 to 2015, the overall national 16-19 education budget was £6 billion. Approximately £600 million was distributed to institutions through the disadvantage element within the 16-19 funding formula. The budget for the discretionary bursary scheme was £180 million.

During our visits, we asked the 20 institutions how they planned the support they needed for students with additional needs, what information they used to inform their planning, and how funding allocations fed into their decision-making processes. We also asked the institutions how they evaluated the effectiveness of the support they put in place and the cost-effectiveness of their spend. This chapter summarises the ways in which the 16-19 institutions planned and evaluated the effectiveness of their additional support. The following chapters then examine in turn how institutions spent the two elements of their additional needs funding: chapter 2 focuses on institutions' use of their disadvantage and formula funding, while chapter 3 focuses on the discretionary bursary.

All 20 16-19 institutions used their formula allocation flexibly to meet the needs of all students.

We asked the 20 institutions that took part in this research how they used their resources to plan their provision, both their core study offer and their offer of support for students with additional needs. In particular, we wanted to explore whether institutions used the disadvantage element of their funding allocation separately from the rest of the allocation or planned how they would support all of their students from a single funding pot. We found that all 20 institutions:

a. treated their 16-19 formula allocations as a single pot of income from which to fund provision to meet their needs of all of their students, including support for those with additional needs; and

b. treated their discretionary bursary funding as a separate "balance sheet" exercise.

In other words, institutions did not distinguish their disadvantage funding and use that to separately plan support for students with additional needs. This is not to say that the institutions did not plan their additional support, but rather to reflect that they did not treat their disadvantage funding separately from their formula funding for planning purposes. Instead, they took an overall, integrated approach to planning how to meet the needs of all of their students, including those with additional needs.

Institutions did not, however, include their discretionary bursary (and other ring-fenced funding streams, such as free meals) within their income. Instead, they planned separately for how their discretionary bursary would be allocated and spent. We describe

what we found about how 16-19 institutions use their discretionary bursary funding in chapter 3.

Institutions argued that there were important advantages to being able to plan how they would use their resources as part of a single, integrated exercise. Three quarters of institutions argued that doing this was important for strategic reasons. These institutions argued that planning additional support in a way that was integrated within how they planned study programmes helped them to meet students' needs more effectively, to promote inclusion – by avoiding additional support being seen as a "bolt-on" – and to achieve economies of scale. For example, the majority of FE colleges we visited described the way in which additional support was already integrated within their curriculum centres and study programmes, or that they were moving to such a model.

Embedding additional support within study programmes

Three FE colleges that we visited described their successful approaches to embedding additional support within their curriculum and study programmes. They argued that this was vital to planning provision and ensuring that all students got the support that they needed to progress and succeed. **Blackburn College** has a well-established approach within which additional support is embedded within each of the college's curriculum centres. This ensures that teaching, advice and additional support for students can be planned and delivered seamlessly. Ofsted has commended the college on its highly effective approach to student support. Likewise, additional support within **Walsall College** is embedded within the curriculum to ensure teaching and support are joined-up and can focus on helping students to progress and become more independent. Ofsted has noted the quality of advice and support on offer at the college, which enables students with additional needs to make the same progress as their peers. **Riverside College** in Halton has an innovation 'programme manager' structure, which brings together oversight of teaching and learning and of additional support, so that provision and support for individual students can be planned effectively. Students at the college achieved the highest results nationally in measures of vocational attainment and progress in 2015.

In all but one of the seven school sixth forms we visited, as well as other small institutions (those with fewer than 200 students), it was also argued that being able to use formula funding flexibly was vital in order to maintain the financial viability of the institution. We also found about one third of the institutions we visited described how they combined their 16-19 funding with other sources of income, effectively subsidising their 16-19 provision.

The majority of these institutions were school sixth forms. They described how they used their pre-16 funding or other sources of income to subsidise their sixth form provision.

They argued this was due to necessity – pre-16 funding has seen greater protection against spending reductions than the post-16 education budget – but was also necessary to ensure continuity of support for students who had been pupils studying key stage 4 at the same school. These schools argued that a pupil's needs did not change completely between Year 11 and Year 12, and that it was important for there to be seamless continuity of support between the two.

We also found that half of the FE colleges we visited, particularly those that also offered adult education or higher education, described how they combined their 16-19 formula funding with their other sources of income, where these were not hypothecated, into a single pot of income. They then used this to plan the provision that they needed to meet the needs of all of their students.

About a quarter of the institutions we visited used their funding allocations to "check back" and see if what they were planning to spend or spending broadly matched what they had received. We should also point out, however, that a very small minority of institutions found it difficult to disentangle funding streams and describe how they funded the additional support that they offered.

The key point here is that we found all institutions were taking advantage of the flexibilities within the funding formula in order to plan how to meet the needs of their students. For strategic and financial reasons, these institutions were not sticking rigidly to, and being guided solely by, their funding formula allocations.

There were significant differences in the ways in which different types of 16-19 institutions planned their support for students with additional needs.

In the preceding section, we have explained that all institutions did not separate their disadvantage funding from their formula funding for the purposes of planning how to meet the needs of their students. While all institutions took this approach to using their funding flexibly to inform their planning, we found that different types of 16-19 institutions adopted different approaches to how they planned the support they would offer for students with additional needs. We discerned four elements of this planning process that were common to all institutions. The differences, however, were to be seen in the extent to which support for students with additional needs was planned explicitly within this process. These four elements are set out below.

a. **"What we have done in the past"** – all institutions described how reviewing their existing offer of additional support was an important starting point for planning.

b. **"The needs of our prospective students"** – likewise, all institutions described the steps they would go through to identify the needs of the students who were planning to study at their institution.

c. **“The resources available to us”** – having reviewed existing support and identified the likely needs for support from the next student cohort, institutions would then match the need for support to the resources, human and otherwise, available to them in order to develop a plan for providing additional support.

d. **“Amending our plans when students walk through the door”** – all institutions described how their plans were contingent and were likely to need to be amended when the new student cohort arrived and their needs could be assessed more closely.

We found that larger institutions, particularly FE colleges and institutions of comparable size (1,000+ students), generally had more explicit processes for planning programmes of additional support than school sixth forms and smaller institutions (fewer than 200 students). This difference reflected the size of the student cohort and the proportion of students with additional needs within it, but also the specific nature of the support the institution offered.

The process for planning support for students with additional needs in these larger institutions was often linked to the broader process for planning the curriculum. What was distinct about these institutions’ planning processes was that reviewing and planning *programmes* of additional support were an explicit part of their broader planning processes. In these larger institutions, the ALS or student support department would be required to conduct an annual self-assessment that would inform the wider curriculum and overall institutional self-assessment. They would also conduct more detailed analysis of trends in student needs over time. Since most had a larger team of staff with more flexible contracts and hours, they had more scope to shape their human resources to provide the support for students they had identified. Most planned their support around specific *programmes* – for example, a support programme for those requiring support in English and/or mathematics, those who required a behaviour mentor, or those who had been not in education, employment or training (NEET).

The approach to planning additional support taken by larger institutions also reflected that the majority of students enrolling at the institution were not previously known to the institution. In this respect, their planning was different to that of school sixth forms since, for the latter, the majority of their sixth form intake had been pupils at the school previously and their needs were well known to staff. The colleges and other institutions in our sample reported that, as a result, they needed to put in place more intensive assessment and monitoring of students when they arrived and during their initial period of post-16 study.

The annual self-assessment and planning cycle: Blackburn College

Blackburn College undertakes a rigorous annual cycle of self-evaluation and planning. This starts with college managers presenting an initial assessment of their curriculum or service area to the curriculum leadership team. This includes identifying what is working well (including student recruitment, retention and achievement), any areas for development, forecast student numbers, and staffing and training needs. Performance data is used along with managers' assessments, and developed into an overarching college-wide self-assessment report that is used to assess the impact of each service area and programme, and to set priorities for the next academic year. A data dashboard is used to review progress in each service area monthly and compare the college's data to national benchmarks. The college has been judged outstanding by Ofsted in its last two inspections.

In some school sixth forms and other institutions with fewer than 200 students, there was less likely to be an explicit process for planning *programmes* of additional support. All of the school sixth forms we visited did have detailed processes for planning their curriculum and study programmes. These sought to take account of the school's local context, their students' needs and aspirations, including the need to offer targeted catch-up support in English and mathematics, and the resources available to them. In almost all school sixth forms we visited, the planning of additional needs support was very much tailored to the needs of individual students. Staff often knew the students and their needs well, due to the size of the institution and the fact that many students were moving into the sixth form of the school they had already attended. Two school sixth forms we visited had developed a regular "interventions panel" to moderate requests for support, plan interventions and allocate resources.

The interventions panel: Saltash.net Community School

Saltash.net Community School has developed an effective way of identifying students with additional needs and putting in place the right form of support. This happens through a fortnightly interventions panel. The panel includes senior leaders, including those with responsibility for inclusion and finance. The panel receive requests for support from staff, which is done using a concise, consistent template. At each fortnightly meeting, they consider requests relating to around 20 students, and determine the support to be put in place. The discussions enable the school not only to take decisions about support and ensure the effective allocation of resources, but also provide a rich source of data about trends and patterns of students' needs that can be used to inform future planning.

Both the planning and the delivery of support in school sixth forms and other smaller institutions were highly personalised and tailored. The support they offered to students tended to be delivered by a small number of key individuals with multi-purpose roles, for example a head of sixth form or a student support officer with a wide pastoral support brief. For these reasons, many of these institutions' strategic planning of additional support tended to be implicit in their curriculum and staffing planning, and decisions about support for individual students were related specifically to their individual needs. Unlike colleges and larger institutions, additional support programmes and interventions were not an explicit strand of planning in their own right in school sixth forms and other small 16-19 institutions.

Few of the 16-19 institutions we visited routinely broke down the costs of their support for individual students.

As well as capturing evidence for this research through our fieldwork interviews, we also wanted to capture evidence about institutions' spending on additional support at a per-student level. To do this, we developed a set of profiles of seven hypothetical young people. We then asked the institutions we visited to say whether they would be able to meet the needs of the young person, if so what support they would put in place, and whether they could estimate the cost of that support. We have set out our analysis of institutions' responses to the profiles in full in chapter 2.

In relation to how institutions planned additional support, however, it is worth noting that very few of the institutions we visited reported that they routinely broke down the costs of their additional support at an individual student level. We should point out, however, that national policy has moved away from requiring institutions to report specifically on how they were spending funding ring-fenced for specific programmes in order to increase institutions' autonomy and the flexible use of resources and reduce administrative burdens. As such, given that this is not required for funding or reporting purposes, it is not surprising that institutions did not routinely track spending information at this level.

Three institutions we visited were, however, able to provide us with an estimate of the cost of support for individual students described in our profiles: two FE colleges and one sixth-form college. These institutions were able to calculate the rough cost of providing support for the students in our profiles using unit costs for specific forms of support they offered, including hourly or weekly costs of providing:

- different forms of assessment (e.g. dyslexia);
- in-class one-to-one support;
- small group or study support;
- English and/or mathematics catch-up classes;
- mentoring support; and
- specific forms of equipment.

There were three further reasons why the majority of 16-19 institutions we visited did not have information about the costs of providing support for individual students. First, institutions argued that 'students with additional needs' is not a defined group of students with a recognised metric for assessing the cost of support. This is an important difference in the way the costs of support are calculated for, on the one hand, students with high needs who attract top-up funding and, on the other, students within our definition of additional needs. Following the introduction of top-up funding for students with high needs, 16-19 institutions and local authorities have had to develop frameworks to reach agreement on the cost of providing the support a student needs. Prior to top-up funding, many local authorities and schools operated banding frameworks that used the number of hours of support from a teaching assistant as a metric for establishing the amount and cost of support a student needs. In the post-16 sector, institutions previously received their funding for high-level ALS through a national matrix.

The 16-19 institutions we visited had ways of identifying students who would meet the high-needs threshold, linked to the costs of in-class support from an additional adult. For students with low-level SEN and other forms of additional needs, particularly those who needed forms of support that did not equate to a number of hours of support from an additional adult, it was more difficult to quantify the amount and therefore the cost of support for an individual student. We are not, however, suggesting that support for students with additional needs should be translated into hours of support from an additional adult. Instead, we are reflecting one of the reasons institutions gave for not routinely identifying the costs of additional support at the level of individual students.

The second reason given by institutions was that both the group of students who need additional support at any given time and the nature of their needs were not fixed, but subject to change. For example, they argued that some students might require intensive initial support, after which they need very little extra help and can pursue their study programmes largely independently. For other students, they argued, no initial need would be identified, but an unexpected trauma in their personal life or a short-term crisis with their housing situation could mean that they need intensive, time-critical additional support very suddenly. These institutions painted a picture of a broad group of their students who at one time or another during their studies may need some form of additional support, but of which only a proportion might be receiving support at any given time.

The third reason was that, for different types of institutions, there were different challenges in identifying or estimating the cost of their additional support. Larger institutions found it more straightforward to identify the cost of specific programmes for students with additional needs – for example, staffing of the ALS department or the cost of a particular programme for students who had been NEET. These institutions found it more difficult, however, to disentangle support that was offered to all students but that students with additional needs were likely to use more, such as some aspects of pastoral support.

By contrast, the smaller institutions and school sixth forms we visited found it more difficult to identify the overall costs of their additional support. This was because the additional support they offered to their students tended to be delivered as part of the role of a small number of core members of staff and the costs were therefore built into their salary costs. For these institutions, it was difficult to distinguish *additional* support from "what we do as the norm". A small minority could, however, estimate the proportion of their time spent on providing, for example, pastoral support for students with additional needs, and could that way generate a rough estimate of the costs.

This is not to say that all 16-19 institutions should know the cost of supporting each of their students with additional needs down to the last penny. We recognise that processes for allocating resources and assessing the cost-effectiveness of specific interventions need to be sensible and proportionate to the institution's size and needs. Nevertheless, information about the cost for one student to access, for example, a mathematics catch-up session or a course of counselling is vital for institutions to be able to review the cost-effectiveness of their support and plan how best to meet students' needs in future. To give an example, all institutions highlighted the importance of pastoral support in helping students to overcome barriers to learning, but this was the area in which institutions found it least straightforward to estimate the cost of their support for students with additional needs.

All of the 16-19 institutions we visited had processes for tracking students' progress, but very few evaluated the effectiveness of specific additional support interventions.

As noted earlier in this chapter, three quarters of the institutions we visited described the importance of integrating the planning and provision of additional support within the planning and delivery of mainstream study programmes. In particular, colleges and larger 16-19 institutions saw this as a progressive step away from ALS or student support being seen as a "bolt-on". Institutions saw advantages to this, as highlighted in the case study of Blackburn College (above), particularly in terms of being able to review the quality of teaching and of additional support in tandem and evaluate the combined impact on student progression.

In terms of how institutions evaluated the effectiveness of their support for students with additional needs, we identified two distinct forms of evaluation during our fieldwork.

a. **Tracking student progress** – this form of evaluation focused on tracking the progress of *individual students*, including those from specific groups (e.g. those from deprived backgrounds, those with SEN, young care-leavers). The aim of these processes was to identify students who are at risk of disengaging and not completing their studies, so that support could be put in place and monitored to ensure it had the desired effect. Likewise, these processes also helped institutions to identify achievement gaps between groups of students, and to implement and

monitor tailored interventions. Such routines are clearly vital for the day-to-day operation of 16-19 institutions and are important for internal and external accountability purposes.

b. **Evaluating the relative (cost-)effectiveness of specific support interventions** – this form of evaluation focused on the *relative* impact of specific forms of support, rather than the *combined* impact of a package of support on an individual student. These processes helped institutions to understand what specific support makes the greatest difference to students, and are important for long-term planning.

All of the institutions we visited had processes in place to track the progress of individual students, but only a quarter evaluated the effectiveness of specific support interventions. A similar proportion of institutions acknowledged, however, that there was more they could do to evaluate the effectiveness of some of their key interventions and forms of additional support. We saw examples in a range of institutions of effective systems for tracking student progress. In school sixth forms, such as St Benedict's Catholic High School, there were well-established routines for tracking not only individual students' progress, attainment and attendance, but also their attitudes to learning and using these to identify students who needed support and track its impact. Larger colleges such as Blackburn College, described above, and Palmer's Sixth Form College, described below, had strong routines and data dashboards for tracking the support provided to individual students and its impact.

Tracking additional support and impact

At **Palmer's Sixth Form College** in Thurrock, any students requiring additional support can access a range of learning, pastoral and welfare support from the college's study plus department. Interventions are put in place for six weeks at a time, and the progress made by the student is monitored during that period. In tandem, the detailed cost of every six-week intervention is recorded for every student. This enables the college to assess how much the support for any individual student assisted through the study plus department has cost, and to begin to make judgements about the cost-effectiveness of different interventions.

St Benedict's Catholic High School in Cumbria has a sophisticated process for tracking student progress and the impact of their additional support interventions. Five times per year, student data is analysed to assess students' needs and the additional support that has been put in place. This includes data not only on progress, attainment, and attendance, but also staff judgements on students' attitudes to learning. The school sees the latter as a key aspect of that tracking process, as these judgements enable the school to capture the distance travelled by each student, including their emotional wellbeing, and the impact of the school's interventions.

The quarter of institutions that had reviewed specific support programmes and interventions were mostly FE colleges plus one sixth-form college and one school sixth form. We have highlighted two examples of these reviews of forms of additional support, one from a FE college and one from a school sixth form, in the case study below.

Evaluating the impact of specific interventions

In 2013 to 2014, **Canterbury College** worked with the college's student union to identify groups who were not being included effectively in college life, particularly those with mental health needs, care-leavers, young parents and LGBTQ (lesbian, gay, bisexual, transgender and queer) students. They developed the 'optimising inclusion' project. Research was carried out and used to inform strategies that would boost inclusion, such as student-to-student mentoring, training and awareness-raising campaigns and activities for young parents and their children. An evaluation of the project found that it had resulted in greater participation, attendance and achievement for students. The project won the prestigious Beacon Award by the Association of Colleges.

Saltash.net Community School recognises the difficulties of identifying the impact of specific interventions, particularly when students may have a number of different needs. Its approach is to triangulate rigorous analysis of student progression with reviews of specific services and systematic capture of qualitative feedback from students. For example, the school works with an external provider that offers counselling support to students. The school does an entry and exit interview with each student, capturing information about their attitudes to education and what they want to see come out of the counselling. This information, along with student progression data, is used to inform a full annual review of the counselling service.

We also found that three of the FE colleges that we visited had evaluated the effectiveness of their overall models of providing additional learning support. In these instances, as a result of their self-evaluation, the FE colleges had moved away from a "discrete, standing additional support centre" model to one in which support was more integrated in curriculum areas and the delivery of study programmes.

Developing new integrated approaches to additional support

Three FE colleges we visited had undertaken self-evaluations of the way in which they offered learning support to students with additional needs. Based on these evaluations, they had developed new models in which learning support was more integrated and embedded within students' study programmes. **Shrewsbury College** has recruited a SEN co-ordinator and an assistive technologist who work together in order to advise and support programme tutors to provide integrated, in-class support to students with the use of assistive technology. **Bromley College** has moved away from having discrete additional support delivery to a model in which learning support and resources, particularly in relation to English and mathematics, are embedded within study programmes. This enables staff to identify students who would benefit most from additional support in a timely manner, and to prioritise their interventions. Likewise, **North-East Surrey College of Technology** has re-planned its use of learning support assistants strategically, to focus on assessing students' needs and providing targeted, integrated support in its student programmes. In each of these instances, these models have been developed to enable the institutions to meet growing need for additional support and use resources more effectively.

These were, however, the exception. More often, institutions acknowledged that while their student tracking processes enabled them to see the overall impact on student retention and progression, they could not determine which specific intervention – for example mentoring, small group work, counselling – had made the biggest difference.

Clearly all 16-19 institutions must have systems that enable them to identify students at risk of disengaging from and not succeeding in their studies, so they can put support in place swiftly and ensure it has the desired effect. That is vital for the students themselves and for maintaining public accountability of the institutions. Nevertheless, in order to maintain effective support for students with additional needs, alongside tracking individual students, it is also important that institutions are able to say which of their support interventions are the most effective, and crucially which provides the greatest "bang for their buck".

Chapter 2: On what do 16-19 institutions spend their resources to support students with additional needs?

The central aim of this research project was to understand on what 16-19 institutions spend their funding to support students with additional needs. This chapter focuses on how and on what institutions are spending their resources, specifically their formula funding, to support students with additional needs. Chapter 3 then describes how institutions are using their discretionary bursary funding.

As we explained at the start of the previous chapter, the disadvantage element within the 16-19 funding formula is one of two elements of 16-19 additional needs funding. Institutions receive an allocation of disadvantage funding within their formula funding, based on two factors: socio-economic deprivation and low prior attainment. The disadvantage element is not ring-fenced, and institutions have flexibility to use this, along with the remainder of their formula funding, to meet the needs of their students, including those with additional needs. In 2014 to 2015, from an overall 16-19 education budget of £6 billion, approximately £600 million was distributed through the disadvantage element of the 16-19 funding formula.

At the outset of our research, we recognised that different institutions not only arrange and allocate their funding differently, but also record, label and account for their funding in different ways. For this reason, we sought to focus our questions on a set of common areas of spending so that we could compare findings across different types of 16-19 institutions. We asked institutions for information about what they spent on three main forms of support:

a. **direct support for current students** – resources that were spent on providing direct support for students with additional needs, such as support in the classroom, student support services or specialist equipment;

b. **other support for current students** – resources that were not spent directly on supporting individual students, but that provided facilities from which students with additional needs were likely to benefit, such as dedicated study spaces or specific additional needs training for staff; and

c. **support for prospective students** – resources that were used to support outreach and transition-planning activities in order to engage students with additional needs who join the 16-19 institution in the future.

During our fieldwork engagements with the 16-19 institutions, we used two research tools to help us capture this information. First, we developed a set of profiles describing the additional needs of seven hypothetical young people. We used these to explore the ways in which different institutions would meet these young people's needs. The profiles were not designed to be representative of all young people's additional needs, but rather to focus on specific needs and forms of support in which we were interested. The profiles

can be seen in full at annex A. Second, we developed a short template that we asked institutions to complete with data on their estimated spending on students with additional needs for the academic years 2013 to 2014 and 2014 to 2015. The template can be seen at annex B.

The chapter covers, in turn, institutions' spending on direct support for current students, on other support for current students, and on support for prospective students.

The majority of the institutions we visited did not find it straightforward to identify or confidently estimate what they were spending on supporting students with additional needs.

As we have described in chapter 1, only three of the 20 institutions that we visited provided us with estimated costs of support for individual students with additional needs. We found, through our fieldwork interviews and particularly discussions with institutions about completing the funding template we prepared, that only a couple of the 16-19 institutions found it immediately straightforward to identify accurately what they were spending on supporting students with additional needs. This is not intended as criticism of those institutions – indeed, we are very grateful to them for their patience as they worked with us to provide data on their spending to inform this research. It is, however, a significant finding that the vast majority of institutions reported that information on what they were spending on supporting students with additional needs was not readily available nor something they used routinely.

We have described in chapter 1 how 'students with additional needs' is not a defined group for funding or accountability purposes. Instead, 'additional needs' includes a wide range of students' needs and forms of support, many of which overlap. Furthermore, some aspects of the additional support offered by the institutions were arranged so as to be accessible to all students, even though students with additional needs were likely to make the greatest use of them. Two examples of this, as we explain in this chapter, were pastoral support and quiet study spaces. For these reasons, it proved difficult for most of the 16-19 institutions to identify or estimate the proportion of their resources that were being spent on providing support for students with additional needs.

Furthermore, we also found that, in almost all institutions, no one person had all of the relevant information about students with additional needs and what was being spent on providing support for them. Often we found, for example, that one person in an institution with responsibility for student support would have details about students and the additional support they were receiving, but did not know what was being spent on this. Another colleague with responsibility for finance would have the information about overall spending, but was not able to extract from this what was being spent on students with additional needs. A couple of institutions commented to us that they had found the process of compiling the data that went into their template returns a useful exercise, and

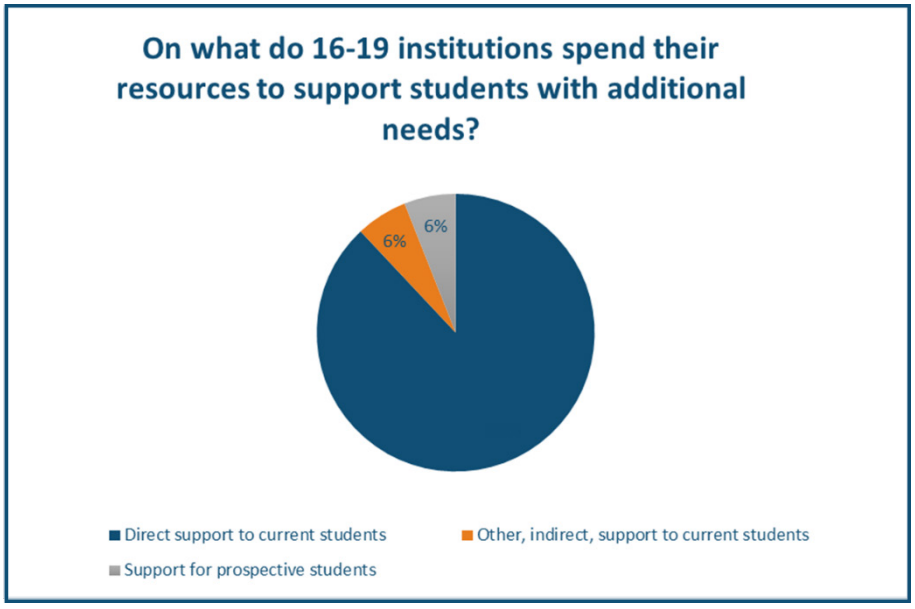
one that had made them reflect on how they recorded and tracked their spending on additional support.

We think this is an important finding in its own right, and indeed has implications for how 16-19 institutions plan their additional support in the face of growing demand and a challenging financial context. In terms of our research, this finding also suggests that we should be cautious about relying solely on the data on spending reported to us by the institutions. For this reason, we have sought to use this data alongside evidence gathered through our in-depth interviews and discussions of the profiles of hypothetical students with additional needs.

The majority of 16-19 institutions' spending on additional needs went on providing direct support to current students.

Through our interviews and our funding template, we asked institutions about the proportion of their spending on additional needs that went on providing direct support to current students, other support for current students, and support for prospective students. Figure 3 below sets out the average breakdown across the institutions that were able to provide us with these data. Eleven institutions were able to provide us with these data – six FE colleges, four school sixth forms and one commercial/charitable provider. Figures are rounded to the nearest whole percentage.

Figure 3: The breakdown of the proportion of 16-19 institutions' spending on supporting students with additional needs in the academic year 2014 to 2015



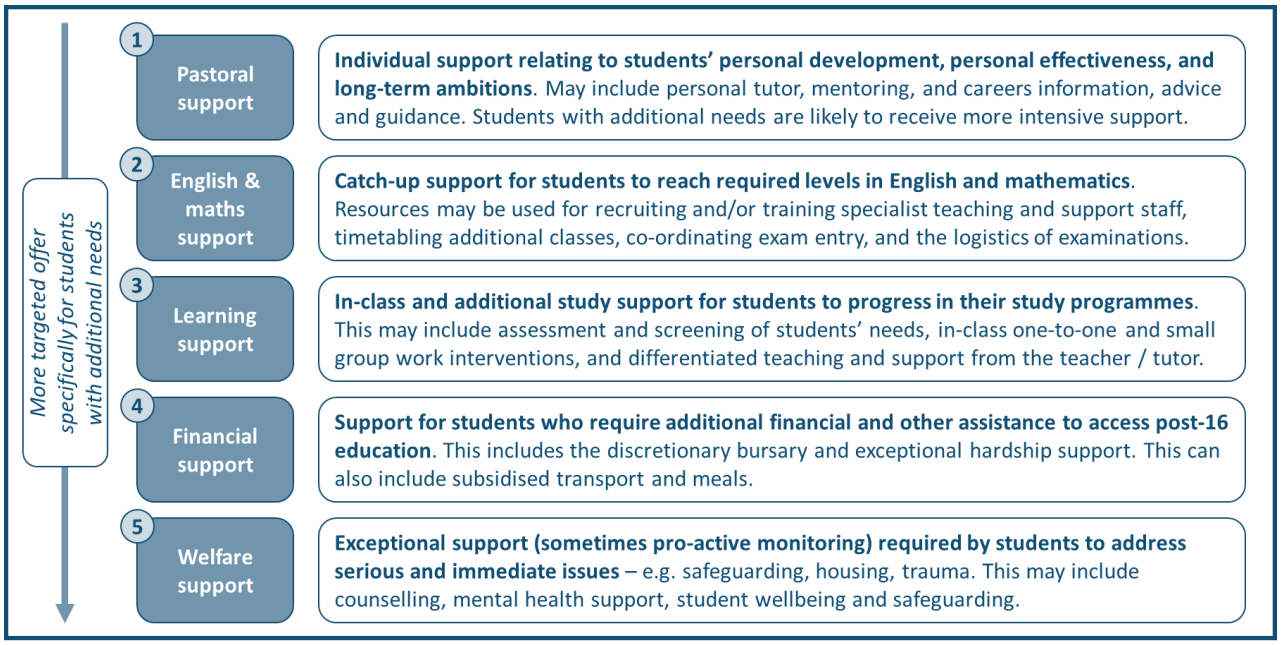
The figure shows, unsurprisingly, that the majority (88%) of institutions' spending on additional needs was used to provide direct support to current students. Small proportions of their spending also went on providing other, indirect, support for current students and support for prospective students (6% in both cases). There are two further points to make here. First, while the breakdown shown in the figure above is for the

academic year 2014 to 2015, institutions reported spending broadly the same proportions on these forms of support in the previous academic year, 2013 to 2014. Second, when we compared responses from different types of institutions, specifically FE colleges, school sixth forms and commercial/charitable providers, we found that these figures were broadly consistent across different types of 16-19 institutions.

We found that institutions' spending on direct support for current students with additional needs fell into five common categories.

During our interviews, we asked the institutions to describe the main "building-blocks" of their offer of – and expenditure on – additional support. We found that all of the institutions we visited described spending their resources on five common *categories* of additional support. These are set out in the figure below.

Figure 4: Five common categories of direct support for students with additional needs



The figure above explains the five categories of support that all of the 16-19 institutions described to us. We explain in more detail the different forms of support on which institutions were spending their resources below. There are, however, two important overarching points to make. First, we found that the majority of the 16-19 institutions' spending went on staffing – for the 12 institutions that provided us with data, on average 82% of their overall spending on additional needs support went on staffing. This is particularly the case in relation to pastoral, English and mathematics, learning, and welfare support. Only financial support, the fourth category in the figure, was provided as an in-kind benefit or in the form of bursary payments to students. Other non-staffing costs included subsidised transport, enrichment activities for students and the cost of specialist support equipment.

Second, as we suggest in the figure above, as one moves through the categories from pastoral support to welfare support, we found that the offer of support became more targeted at students with additional needs. For example, all institutions had an offer of pastoral support for all students – the *additionality* here was that a greater proportion of an institution's pastoral support was likely to be directed towards students with additional needs. Moving on to learning support, however, we found that this was more likely to be an offer targeted specifically at students with additional needs to help them progress in their study programmes. Moving on to the final category, welfare support, this was likely to be accessed only by a sub-set of students with additional needs who required support for serious and immediate welfare and wellbeing issues.

In the five sub-sections immediately below, we explain how different institutions were delivering these five categories of support and on what specifically they were using their resources. For each section, we highlight some of the key points and data in a summary box. After that, on p.45, there is a table summarising what institutions were spending on these five categories of direct support for current students with additional needs.

Pastoral support

Key points about institutions' spending on pastoral support

- All institutions had an offer of pastoral support available to all students.
- The vast majority found it difficult to identify and quantify what they were spending on pastoral support for students with additional needs.
- Colleges and large institutions spent their resources on an offer of tutoring, coaching and/or mentoring. They also funded an offer of careers information, advice and guidance.
- In the vast majority of schools, pastoral support was embedded within the role of a senior leader, such as the head of sixth form or student support officer. Two schools could estimate the amount of time staff spent providing pastoral support to students with additional needs.

All institutions that we visited had an offer of pastoral support that was available to all students. They recognised, however, that this was an important aspect of their support for students with additional needs, who would need proportionately more pastoral support than their peers. The purpose of this support was to provide tailored support to individual students to assist in their personal development and support their long-term ambitions.

In FE colleges, sixth-form colleges and other large institutions, this tended to include a personal tutor, progression coach and/or mentoring offer. It was also likely to include an offer of careers information, advice and guidance (CIAG) provided within a central team or hub within the college. Half of the colleges we visited found it difficult to quantify how much of what they were spending on pastoral support was spent specifically on support for students with additional needs. In part this was because they did not track how much

pastoral time was spent with particular groups of students, while at the same time colleges argued that a large proportion of their student cohort had some form of additional needs and therefore benefited from pastoral support.

In school sixth forms and smaller 16-19 institutions, we saw a range of ways in which pastoral support was offered. Often this was embedded within existing staff roles, rather than the institution having a discrete pastoral offer. In these instances, the head of sixth form and/or a student support officer performed a multi-functional additional support role, which included spending a proportion of their time on pastoral matters. Interestingly, since pastoral support was often part of one person's main role, and because students with additional needs often represented a smaller proportion of their cohort, they were able to estimate the proportion of time and resources spent on providing pastoral support to students with additional needs. For example, one school sixth form estimated that one of their senior leaders spent, on average, 15 hours per week on pastoral matters, which equated to 37.5% of their contracted hours. We should point out, however, that these were not estimates that many school sixth forms had to hand. Initially, all of the school sixth forms we visited described the difficulties of identifying their spend on additional support. Half subsequently developed estimates of their spend on additional support, and specifically pastoral support, through our fieldwork discussions.

In sum, therefore, all of the 16-19 institutions we visited emphasised the importance of pastoral support to students with additional needs, but half of the institutions we visited found it difficult to identify what they were spending on this.

English and mathematics support

Key points about institutions' spending on English and mathematics support

- All 16-19 institutions said that they offered specific catch-up support to students who did not yet have a C in English and mathematics at GCSE.
- The support offered in, on the one hand, colleges and commercial/charitable providers and, on the other, school sixth forms was different in terms of the number of students who required this support.
- Colleges, for example, reported that between 30% and 41% of their students required this support. Schools estimated that the proportion of students who did not have a C in English and mathematics was between 2% and 5%.
- Over half of the FE colleges and all other non-school providers also reported seeing significant growth in the proportion of their students who required support in English and mathematics over the last two academic years to 2014 to 2015.
- Colleges and commercial/charitable providers reported spending their resources on recruiting teachers and support staff to teach English and mathematics, timetabling additional classes, and examination entries and logistics.
- School sixth forms reported using their expenditure on English and mathematics support on scheduling some additional catch-up and revision classes.

Where students have not yet achieved a C grade in English and/or mathematics at GCSE, it is now a requirement of institutions' funding that they study these subjects as part of their study programmes. All of the 16-19 institutions described to us that they offered some form of catch-up support in English and mathematics. The scale and type of support that was offered, however, was different depending on the proportion of an institution's students who did not yet have a C in English and/or mathematics.

This form of support was a significant part of expenditure in FE colleges, sixth-form colleges and other institutions for whom a large proportion of their cohort did not have a C grade or above in English and/or mathematics. These institutions described that the majority of the resources they spend on English and mathematics support went on the salaries of new teachers and support staff they had recruited to work in these subjects. They also described the cost of timetabling additional classes, examination entries and co-ordinating the logistics of examinations. FE colleges described the scale of co-ordination required to manage examinations for a large proportion of their students, and how this often required having to hire larger venues for examinations.

Not all colleges were able to provide us with data on their spending on English and mathematics support. Nevertheless, the data reported to us do suggest some overall patterns in colleges' spending on this type of support.

First, the data suggest that a significant proportion of colleges' additional needs resources were being spent on teachers, specifically those to teach English and mathematics. In our funding template, we asked institutions to report how much they were spending on additional teaching staff to support students with additional needs. FE colleges reported that between 7% and 47% (the average was 19%) of their spend on additional support went on the costs of additional teaching staff. The data we had from one sixth-form college and one charitable/commercial provider suggested they spent 41% and 42% respectively of their spend on additional needs on this category of support. These institutions reported that these teaching staff were being deployed to support students who did not already have a C in English and/or mathematics.

These figures should be treated with caution. The range in the figures reported suggests that some institutions may have counted not only the costs of staff delivering *additional* support in these subjects, but also the costs of recruiting and training staff to teach additional English and mathematics classes that students with additional needs were taking as part of their study programmes. The data do indicate, however, that spending on teachers to support students with additional needs in English and mathematics accounted for a significant proportion of their reported expenditure on additional support. For the reasons given in chapter 1, specifically that institutions did not treat their disadvantage funding separately from the rest of their formula funding, institutions did not report from which funding stream this support was funded.

Second, there was also evidence to suggest that, among FE colleges and commercial/charitable providers, there was a growing need to spend on this category of

support. Not all colleges were able to provide data on the number of students who did not have a C grade in English and mathematics for the last two years – half were not able to do so for the academic year 2013 to 2014, and the change may reflect the introduction of the condition-of-funding relating to English and mathematics in 2014 to 2015.

In total, four FE colleges were able to provide data on the number of students who did not have a C in English and mathematics in the last two academic years. Of these, two FE colleges reported that they had seen significant rises in the number of students who did not have a C in English and mathematics over the past two academic years. One of these colleges had seen a rise of 57% (more than 250 students) who needed this support during this period, while the other had seen a rise of 80% (more than 375 students). These two colleges estimated that students who did not yet have a C grade in English and mathematics at GCSE accounted for between 30% and 41% of their students in 2014 to 2015. One other FE college provided data that showed it was spending almost three times as much on English and mathematics support in the academic year 2014 to 2015, when the condition-of-funding was introduced, as in the previous year.

This trend was not uniform across all FE colleges, however. The other two FE colleges that provided data on student numbers for both academic years reported small drops in the number of students without C grades in English and mathematics. They put this down to the fact that certain study programmes, particularly level 1 and level 2 programmes, had failed to recruit in 2014 to 2015.

Both of the commercial/charitable providers also reported an increase in need for this support among their student cohorts – one of these institutions reported seeing a 50% increase in the numbers of students who did not have a C in English and mathematics. As such, while the trend was not uniform across these types of institutions, the evidence we gathered suggested that FE colleges, sixth-form colleges and commercial/charitable providers were seeing a growing need for support for students who did not yet have C grades in English and mathematics.

The pattern of spending and of need were not the same, however, for school sixth forms. Almost all of the school sixth forms reported that students without English and mathematics did not make up a large proportion of their sixth form intake. In almost all instances, this reflected long-standing entry requirements. In one instance, it reflected a recent shift away from vocational study programmes that the school argued would not be viable if the institution was to lose funding in future due to the condition-of-funding related to English and mathematics.

Where schools were able to provide data, they reported increases of one or two students per year. Two school sixth forms, however, reported larger increases in the number of students in their sixth form who did not have a C in mathematics GCSE. One reported an increase from four students in 2013 to 2014 to 10 students in 2014 to 2015. Another reported a similar, but more recent, increase from two students in 2014 to 2015 to 10 students in 2015 to 2016.

All but one of the school sixth forms we visited said that they focused predominantly on academic study programmes. Over half required students to achieve five GCSEs at A*-C including English *and* mathematics. Three school sixth forms, namely those who considered that their Year 7 intake contained a higher proportion of students with additional needs (many of whom wished to study in the school's sixth form), required students to have five A*-C grades including English *or* mathematics, or had subject-specific entry requirements. Schools described how they might make exceptions in some instances, depending on a student's circumstances, but generally would admit students for whom academic study programmes would be the right option.

Nevertheless, due to the focus on academic study programmes and the entry requirements of most of the school sixth forms we visited, students who required support in English and/or mathematics represented a much smaller proportion of their sixth form cohort than was the case among colleges. Our data suggest this was between 2% and 5% of their sixth form cohort.

Consequently, due to the smaller proportion of students who required this support, as well as the fact that they already had staff who could teach English and mathematics GCSE, school sixth forms' reported spending in this area was different to that of colleges and commercial/charitable providers. They reported that their expenditure on English and mathematics support went on scheduling some additional catch-up and revision classes for the small number of students re-taking their English and mathematics GCSEs.

Learning support

Key points about institutions' spending on learning support

- All institutions offered support to students focused specifically on their learning in the main aspect of their study programme.
- Again, different forms of learning support were offered by colleges / large 16-19 institutions compared with school sixth forms.
- Colleges described a range of learning support available, which included one-to-one, in-class and small group support, assessments and screenings for learning difficulties and access to specialist equipment.
- On average, learning support accounted for the largest proportion of FE colleges' spending on additional support – 45%, ranging from 35% to 57%.
- School sixth forms described the learning support that they offered in terms of differentiated planning and teaching, plus subject-specific catch-up and revision sessions.
- On average, learning support accounted for 19% of school sixth forms' spending on additional support, ranging from negligible amounts to 31%.

Most institutions described support that they would need to put in place to ensure all students made progress on their study programmes, particularly those who were at risk

of not completing their programmes and not making expected progress. This form of support was distinct from pastoral support since it focused specifically on students' learning, rather than their personal development. It is also distinct from English and mathematics support, since what we have called 'learning support' focused on the main topic of their study programme, rather than on the English and mathematics component. Institutions argued that this form of support was crucial to enabling students with additional needs to achieve the overall goals of their chosen programme of study.

Again, this was an area where we saw different approaches used by colleges / other larger institutions compared with school sixth forms / smaller providers. Larger colleges were more likely to have something akin to a learning support department – some called it their ALS department, some a study support hub. Leaving aside the terminology, what these larger institutions described was the offer of a range of one-to-one, in-class and small group interventions and study support, as well as assessments and screenings for learning difficulties (e.g. dyslexia), and access to specialist equipment. Notwithstanding the point in the preceding section, which showed some colleges spending a large proportion of their additional needs resources on teaching staff in English and mathematics, the data reported by FE colleges suggest that, on average, learning support accounted for the largest proportion of FE colleges' spend on additional needs. On average, FE colleges reported spending 45% of their reported spend on additional needs on learning support, although this ranged from 35% to 57%.

Not all colleges delivered their learning support in the same way. Indeed, one of the themes we identified through our research was that several colleges appeared to be re-thinking how they delivered learning support. Specifically, just fewer than half reported that they were moving away from a traditional ALS-style department. In total, half of the FE colleges we visited described how they had embedded their learning support resources, including in-class support staff, within curriculum areas. Two had a self-service model to which staff or students would refer for additional support, and one of these had recruited a SEN co-ordinator to provide advice and support to teaching staff. About three quarters said that they were increasingly expecting teaching staff and subject tutors to provide more of the in-class support themselves.

As with pastoral support, schools were less likely to have a dedicated learning support function. Instead, school sixth forms often said that the equivalent of learning support was delivered through differentiated lesson-planning and teaching, some small group workshops for those students who needed to catch up, and teachers offering additional after-school study sessions. The data we collected suggested that schools were spending on average 19% on learning support, although this ranged from a negligible amount to 31%.

Learning mentors: The Marsh Academy

The Marsh Academy recognised that it can be difficult to provide students with the right subject-specific support in their study programmes. The school has responded to this by offering roles as learning mentors to gap-year students from a local independent school, a partner of the Marsh Academy. Learning mentors provide not only subject-specific learning support, but also pastoral support and act as role models for the school's students. Furthermore, they have an explicit role in raising funds for the school's hardship fund, which is used to provide additional transport support to students, on top of what is provided through the discretionary bursary. The school reports that gaps in progression rates between groups of students, such as those from disadvantaged backgrounds and those with SEN, have narrowed since the introduction of the learning mentors. Due to its success, the school has extended the learning mentor programme to include gap-year students from the Marsh Academy itself.

Financial support

Key points about institutions' spending on financial support

- We explain how institutions used their discretionary bursary funding to provide financial support to students in chapter 3. Almost all institutions reported that the bursary was used to help meet transport costs. An evaluation of the discretionary bursary found that 54% of young people reported using the discretionary bursary to help with travel costs (Lloyd et al, 2015).
- In terms of formula funding, six institutions reported that, in addition to the discretionary bursary, they used their formula funding to provide additional transport for students. They were either subsidising students' travel by topping up their discretionary bursary fund or providing their own travel.
- Of these six institutions, three FE colleges reported topping up their discretionary bursary funding to provide additional transport. They reported using between 7% and 16% of their additional needs expenditure to do this.
- Of the six institutions, a further three institutions, all in rural areas, reported using their formula funding to provide their own transport. Two reported spending 10% and 14% respectively of their additional needs resources on transport, over and above what they spent on transport through the discretionary bursary fund.
- These institutions argued strongly that they were providing transport support to compensate for a lack of local transport provision, which they saw as impeding young people's choices about and access to post-16 study.

All institutions had a function for providing financial assistance to students who needed it in order to stay in education and complete their study programmes. A significant aspect

of this support related to the discretionary bursary as well as any exceptional hardship fund that institutions operated. Often, this funding was used to provide students with books, equipment, trips, university visits and support during instances of hardship such as needing temporary accommodation. We describe the use of the discretionary bursary in detail in chapter 3.

The other item of financial support described to us was transport. The vast majority of institutions reported that their discretionary bursary funding was used to help students with their transport costs. The recent evaluation of the discretionary bursary found that 54% of students reported using their discretionary bursary to meet the costs of transport to and from the institution at which they studied (Lloyd et al, 2015). As such, we know that a significant proportion of the discretionary bursary funding is being used to meet the costs of students' transport. In our research, we found that six institutions reported spending additional funding, from their formula allocation, on top of what was being spent through the discretionary bursary fund on supporting students to meet the costs of transport. Half of these were FE colleges serving deprived areas, or a mixture of institutions in rural areas that were funding their own transport.

Three of the six FE colleges that provided data reported spending additional resources on transport. This was funding over and above what they distributed to students through the discretionary bursary fund. The proportion of their overall formula spending on additional needs that they were using to fund transport support ranged from 7% to 16%. These institutions said that the cost of transport was a significant barrier to participation in education among their students, and that they needed to invest additional resources from their formula funding in order to meet these costs.

Three other institutions reported spending additional resources on transport – one FE college, one school sixth form and one commercial and charitable provider. All three of these institutions were based in and served rural areas. They said that the issue was not only related to the cost, but also the availability, of transport. They explained how they had taken the strategic decision to invest in their own transport to ensure their students could get to and from the institution at which they studied and could get to and from any other settings at which they received part of their study programme. Two of these institutions (the school sixth form and commercial/charitable provider) reported data to us. The data showed that they spent 10% and 14% respectively of their expenditure on additional needs on transport, over and above what they spent through the discretionary bursary.

The institutions that were spending resources on transport – those in rural areas and FE colleges in deprived urban areas – argued that 16-19 institutions were using their resources over and above what could be supported through the bursary to compensate for the lack of local transport provision in order to overcome barriers to students accessing their education. They argued strongly that a lack of transport for young people was impeding their choices about and access to post-16 study. There are implications for

the way in which national and local education and transport policies are aligned, to which we return in chapter 5.

Welfare support

Key points about institutions' spending on welfare support

- Almost all institutions described growing need among students for emotional and mental health support, and, at the same time, a lack of local provision.
- Almost all described an offer of counselling, advice and pro-active monitoring of students where there were concerns about their wellbeing.
- Our data suggest that, on average, FE colleges were spending 7% on welfare support, although this ranged from 2% to 13%.
- It was more difficult to quantify spending on welfare support in schools – one reported spending 4% on welfare support.

Almost all of the 16-19 institutions we visited said they were seeing increasing numbers of students who required support for emotional and mental health difficulties. The vast majority of institutions also described how they had an offer of welfare and wellbeing support for their students. In the case of almost all institutions – schools, colleges and other providers – this included specifically access to counselling support for students. This was either an in-house counselling service or one offered by an external provider that was bought in by the 16-19 institution. Almost all institutions also described how time was spent on pro-active monitoring of students relating to concerns around safeguarding, care arrangements, caring responsibilities and their general welfare. Larger colleges particularly also provided or signposted students to advice and support from local charities and organisations who supported young people with housing.

What institutions were spending in this area depended to some extent on the services that were available locally. In all instances, institutions described a lack of emotional and mental health support locally, particularly for young people aged 16 and over. Institutions saw this as a growing area of need, and consequently felt they needed to use their additional support resources to provide a compensatory offer to their students. The data suggest that FE colleges were spending on average 7% of their additional needs resources on welfare support, although this ranged from 2% to 13%. It was more difficult to determine the figure for school sixth forms – one reported that counselling services accounted for 4% of their additional needs spend.

Table 1: Summary of key findings about institutions' spending on the five categories of additional needs support

Institutions' spending on the five categories of additional needs support	
Pastoral support	• All institutions offered pastoral support, but many found it hard to quantify what was spent on students with additional needs. • Colleges described funding tutors, coaches and mentors, plus careers information, advice and guidance. • In most school sixth forms, pastoral support was one aspect of the role of the head of sixth form or student support officer.
English and mathematics support	• All institutions offered support to students who did not yet have a C in English and/or mathematics. • The support offered depended on the proportion of an institution's cohort that needed this support. • On average, FE colleges reported that 30%-41% of their students required this support. In school sixth forms, the figure was 2%-5%. • Over half of the FE colleges and all other non-schools providers we visited reported seeing a growth in the proportion of students who needed this support, and consequently an increased demand on their resources, between 2013 to 2014 and 2014 to 2015. • Colleges reported using resources to hire and train teachers and support staff to teach English and mathematics, as well as timetabling classes and exam arrangements. Schools reported funding some additional catch-up classes and revision sessions for students who were re-taking these GCSEs.
Learning support	• All institutions offered learning support linked to students' study programmes. • On average, learning support accounted for the largest proportion of FE colleges' expenditure – 45%, ranging from 35% to 57%. In colleges, it was used to fund a range of one-to-one, in-class, small group support and assessment. • Among school sixth forms, learning support was delivered through differentiated teaching and subject-specific catch-up and revision classes. On average, 19% of schools' expenditure went on this, ranging from negligible amounts to 31%.
Financial support	• All institutions offered students financial assistance to access education through the discretionary bursary. Almost all institutions reported that the bursary was used to help meet transport costs. • Six institutions reported that, in addition to the discretionary bursary, they used their formula funding to provide additional transport for students. • Three were FE colleges in deprived urban areas, which reported spending between 7% and 16% of their additional support expenditure on transport, over and above what was already spent through the discretionary bursary fund on transport. • The remaining three institutions, all of which served rural areas, were using a similar proportion of their additional needs formula resources, over and above their spend through the discretionary bursary on providing their own transport.
Welfare support	• Almost all institutions described growing need among students for emotional and mental health support, but a lack of local provision. • Almost all described funding an offer of counselling, advice and pro-active monitoring of students. • FE colleges reported spending between 2% and 13% of their additional support expenditure on welfare support. It was harder to quantify spend for school sixth forms – one reported spending 4%.

We found that institutions also spent their resources on three forms of other, indirect, support that were likely to benefit students with additional needs.

In addition to what we have called 'direct support', we also asked institutions to describe what they spend on providing other support that did not go directly towards supporting students with additional needs, but from which they were likely to benefit specifically. For example, an institution might offer extended library opening hours. This is not a support intervention that would be put in place specifically for an individual student or group of students. It is, however, a form of support from which students with additional needs – for example those who do not have quiet spaces to study at home – are likely to benefit. We found that there were three forms of other support that 16-19 institutions were offering.

a. **Study spaces** – all institutions described making available a dedicated study space for individual students and small group work, or offering extended library opening hours so that students who needed to could use the space for study. This was done for those students who, for whatever reason, did not have access to space in which they could study at home. Half of the institutions we visited provided data on what they were spending on study spaces. On average, FE colleges reported using 3% of their additional needs spend on study spaces, although this ranged from a negligible amount to 6%. For school sixth forms, the average was 6% of their additional needs spend, and again we saw this ranging from 2% to 11%. To some extent, this range in what institutions were spending on study spaces reflects genuine differences in spending patterns across institutions. It also reflects, however, differences in the way in which institutions estimated and quantified both their overall spend on study spaces and the proportion that went towards supporting students with additional needs.

b. **Training for staff specifically on supporting students with additional needs** – over half of the institutions we visited reported using some of their additional needs resources to train staff to meet a wider range of student needs. Eleven institutions provided us with data on their spending in this area, of which nine reported spending some of their resources on training staff specifically on supporting students with additional needs. On average, both FE colleges and school sixth forms reported using 1% of their additional needs expenditure on this. As with the other forms of support we have described above, there was a range in the proportion of their additional support resources that institutions reported spending on training staff on supporting students with additional needs. One FE college reported using 5% of its additional support expenditure on this, while a commercial/charitable provider reported using 8%. Tellingly, both of these institutions also reported seeing a significant growth in the proportion of their students who needed additional support in English and mathematics.

c. **Developing new facilities and study programmes** – a small minority of institutions also described how they were using resources to develop new forms of support or study programmes from which they expected students with additional needs would benefit. For example, one school sixth form described how they had recognised a need among their students and a gap in the local market for a particular vocational study programme. They had, therefore, used some of their resources to develop that programme and develop a suitable space for students on that programme to work. In all instances, however, this was a one-off, non-recurring expense. A small minority (just fewer than a quarter) of institutions reported difficulties in using their formula funding to develop new provision, since they did not have the "slack" to be able to invest in developing new activities.

Institutions reported spending similar proportions of their resources on prospective students, but the nature of transition planning was different between school sixth forms and other 16-19 institutions.

On average, the 16-19 institutions we visited reported spending 6% of their resources on support for prospective students with additional needs. Institutions also described a similar set of activities that they undertook to plan for and support prospective students with additional needs before they joined. This involved:

- initial interviews and engagements with students interested in enrolling;
- liaison with partners and agencies to plan a student's transition; and
- initial assessment and monitoring when the student enrolled.

Three quarters of the institutions we visited found it difficult initially to identify what they spent on support for prospective students with additional needs. This was because, in these institutions, the staff responsible for doing the pre-enrolment engagement and outreach work with prospective students with additional needs were also responsible for providing direct support to current students. Institutions saw that this had several benefits, including providing continuity of support for students with additional needs during and immediately after the transition to post-16 study.

Just over half of the institutions we visited were able to provide us with figures identifying what they spend on support for prospective students with additional needs. Among these, a few institutions were able to arrive at these figures by estimating the proportion of time spent by staff on direct support for current students and work with prospective students. The vast majority of the remaining institutions, which were not able to provide us with data, argued that they did use their resources to support prospective students with additional needs, but could not break down their spending to identify what specifically was spent on this group of students.

There were two main differences in how institutions were using their resources to support prospective students with additional needs. The first was between school sixth forms, particularly those whose sixth form intake was drawn largely from the school's rising Year 11 cohort, and other 16-19 institutions, which students were joining for the first time. Schools described how they did the majority of their transition planning as part of their normal routines for tracking pupils' progress during their key stage 4 studies. For this reason, many school sixth forms reported spending a small proportion of their resources on support for prospective students. Colleges and other institutions, on the other hand, reported investing more heavily in activities to assess students' needs before and immediately after enrolment. They argued that, unlike school sixth forms, which would be familiar with the needs of the vast majority of their new Year 12 intake, colleges and other institutions needed rapidly to build up an understanding of a student's needs and the support they would need. This was not always reflected in those institutions' data on spending, however, since, as we have explained above, institutions found it difficult to disentangle support for prospective students with additional needs from other outreach and transition planning work and from support for current students with additional needs.

The second difference related to the scale of outward-facing work in which 16-19 institutions engaged. Here we found two institutions – one FE college and one school sixth form – that reported using more than 20% of their additional needs spending on support for prospective students. Both institutions reported doing a significant amount of transition planning and liaison with local schools and strategic partnership-working to ensure young people at risk of becoming NEET stayed in education and made a successful transition to post-16 study.

Strategic local partnerships to support vulnerable young people: Riverside College

Riverside College is heavily involved in a range of well-developed strategic partnerships to support vulnerable young people in Halton. These include working with local agencies, professionals and schools to support young people to succeed in their chosen educational goal and career opportunity. These groups have helped to drastically reduce rates of NEET, teenage pregnancy and suicide among young people in the borough and improve the educational experience of young carers, looked-after learners and youth offenders. Good collaboration has fostered dialogue between schools and colleges to ensure effective transitions for vulnerable young people. The college can demonstrate that the time invested in this outward-facing strategic partnership work is vital to ensuring vulnerable young people remain in education and do not become NEET.

One commercial/charitable provider also reported investing a significant amount of time in liaison work with local authorities and partners to engage young people at risk of becoming NEET, but was not able to quantify their spending in this area. A small number

of institutions (fewer than a quarter), specifically from among school sixth forms and sixth-form colleges, reported using some of their additional needs spending on marketing, particularly for study programmes that were likely to recruit a high proportion of students with additional needs.

FE colleges and other providers reported taking a greater number and wider range of students with additional needs than school sixth forms.

While the types of additional support that institutions were funding were similar, there were also differences in how they used their resources and delivered additional support. These differences appeared to be related to the range of the additional needs found within their student cohort. These differences are best illustrated with reference to the evidence we gathered using the profiles of seven hypothetical young people, explained at the outset of this chapter and set out in full at annex A. The figure below shows the responses to the hypothetical profiles from, respectively, FE colleges and other providers, sixth-form colleges and school sixth forms.

Figure 5: Institutions' responses to the profiles of the seven hypothetical young people with additional needs

	Pallavi (Mental health, C in E&M)	**Jasper** (Sensory, physical, learning needs, no C in E&M)	**Romesh** (Low prior attainment – no C in E&M)	**Tom** (previously excluded, has C in maths, not English)	**Jasmine** (Caring for mentally-ill parent, C in E&M)	**Sienna** (Previously NEET, young parent, no C in E&M)	**Kiaan** (Care-leaver, attendance issues, C in English, not maths)
FE colleges and other providers (includes land-based colleges and commercial / charitable providers)	**All colleges would have Pallavi** – pastoral, welfare support, key-worker (£1k-£1.5k)	**All would have Jasper** – debate about whether he would meet high-needs threshold (£4k; £14k if high-needs)	**All would have Romesh** – in-class support, booster in E&M, self-help skills (£2.5k)	**All would have Tom** – pastoral, monitoring, E&M catch-up (£800-£3.4k)	**All would have Jasmine** – flexible study, counselling, young carer support (difficult to estimate)	**All would have Sienna** – many have "fresh start" programmes, childcare (£1.8k-£3.3k)	**All would have Kiaan** – pastoral, welfare, housing (£3k)
Sixth-form college	**Would have Pallavi** – study support, counselling (2.5k)	**Would have Jasper** – small group, E&M and study support, equipment (£4k)	**Would have Romesh** – small group, study support, assessments (£3.9k)	**Would not have Tom**	**Would have Jasmine** – counselling, liaison with agencies (difficult to estimate)	**Would not have Sienna**	**May have Kiaan** – pastoral, welfare, housing, E&M
School sixth forms	**All would have Pallavi** – pastoral, welfare support	**Only two would have Jasper** – adaptations, in-class support	**Only one would have Romesh**	**Less than half would have Tom** – mentoring, monitoring	**All would have Jasmine** – pastoral, welfare support	**None would have Sienna**	**Most would have Kiaan** – pastoral, multi-agency support

The figure shows striking differences between the different forms of students' additional needs that 16-19 institutions reported they would expect to meet. In particular, it suggests that FE colleges and other providers, and to a lesser extent sixth-form colleges, are meeting a wider range of additional needs than school sixth forms.

FE colleges and other providers

In presenting our findings from analysing responses to the profiles, we have grouped those from FE colleges with other institutions that offered predominantly vocational study programmes, including commercial/charitable providers and the land-based college.

In their responses to the profiles of the seven young people, these institutions reported that they would expect to meet the needs of all seven of these students. Our evidence suggests, therefore, that these institutions are meeting the widest range of additional needs in the sector. These additional needs include learning difficulties, physical and sensory difficulties, mental health needs, low prior attainment, care-leavers, and the needs of young people who have been excluded or NEET.

School sixth forms

School sixth forms interpreted the profiles based on whether the young people would meet their entry requirements. Almost all school sixth forms required students to have five A*-C grades at GCSE including English and mathematics – one set its requirements at four A*-C grades, one at five A*-C grades including either English *or* mathematics, and one based on average GCSE points score. They argued that students like those we described in the profiles who did not have a C in English and mathematics would not meet their entry requirements for academic study programmes, and that they did not run the vocational programmes onto which these students might enrol.

This meant that they reported they would take the students who already had C grades in English and mathematics (Pallavi and Jasmine). Most would take those who had a C grade in one of those subjects (such as Kiaan), and three of the seven school sixth forms would take Tom. They considered, however, that they would not be likely to have the other students in their cohort.

One school sixth form described how it had previously offered a wide range of academic and vocational study programmes, but had cut back on its vocational study programmes in recent years. It reported that it had done this in response to the introduction of the condition-of-funding for students who did not have a C grade in English and mathematics to study those subjects as part of their 16-19 study programme. This school argued that some of its vocational programmes would not be viable if the institution was to lose funding in future due to the condition-of-funding.

One school sixth form we visited took a very different approach. This school was the only 16-19 institution in its immediate locality, which was a rural area. There was no local FE college or sixth-form college, and the next nearest schools were half-an-hour's drive away. The school had recognised that it needed to offer a broad range of study programmes, both academic and vocational, and a broad range of additional support. If it did not, it considered that there would be no appropriate post-16 provision locally for the school's rising key stage 4 pupils. Consequently, this school reported that a larger proportion of its sixth form cohort required additional support, and that it provided support

for a wider range of needs than school sixth forms in other areas. In its response to the profiles, the school reported that it would take students who did not have C grades in English and mathematics, like Romesh and Jasper. It said it would not be likely to encounter a student with needs like Sienna's (we described that she had been NEET), but mainly because the school sixth form did not usually admit students part-way through the academic year. As we have said, this school's distinct local context meant its approach to post-16 additional support was very different to the other school sixth forms we visited.

Sixth-form colleges

Of the two sixth-form colleges in our sample, one did not provide responses to the profiles. For this reason, the findings on sixth-form colleges should be treated carefully. Nevertheless, the response we received from the other sixth-form college suggested differences in the additional needs of its student cohort from both FE colleges and school sixth forms. The sixth-form college reported that its entry requirements would not preclude it from taking students who did not have a C in English and/or mathematics – it would therefore take students that school sixth forms said would not meet their requirements (Jasper and Romesh). It also said, however that it did not have the study programmes to accommodate Tom (who we said was interested in engineering, mechanics and carpentry), nor did it admit students in-year (such as Sienna, who we described as having been NEET).

Drawing conclusions from institutions' responses to these hypothetical profiles

The findings drawn from institutions' responses to the profiles need to be treated carefully. They are based on responses from the institutions we visited, which is a small sample of 16-19 institutions. Furthermore, in our research, we saw how an institution's student cohort and the additional needs it will need to support can be influenced by both the nature of other 16-19 education provision available locally and the specific needs of the communities it serves.

Nevertheless, our analysis of responses to the profiles suggests that FE colleges and other providers of predominantly vocational programmes, and to a lesser extent sixth-form colleges, are supporting a wider range of additional needs than school sixth forms. Furthermore, the data that we gathered from institutions about their student cohorts also appear to suggest that a larger proportion of the student cohorts of FE colleges and other non-school providers required additional support than those of school sixth forms. For example, FE colleges reported that in 2014 to 2015, on average, 48% of their students required some form of additional support. This ranged from one third (34%) to almost two thirds (64%). School sixth forms, however, reported that 30% of their students required additional support – this ranged from one school that reported 5% to one, located in a very deprived area, that reported 50%.

As such, the profile responses, as well as institutions' data on the proportion of students with additional needs, help to explain some of the differences we have identified in the

way forms of additional support are delivered that we have described in this chapter. The additional support that an institution needs to fund is likely to be influenced by its local context: both its role within the local 16-19 education provision and the needs of the community it serves. Our findings suggest that different types of 16-19 institutions are also likely to have to fund different forms of additional support. Specifically, the evidence we have gathered suggests that colleges and other non-school providers are likely to:

- have a greater proportion of their students who need additional support; and
- need to meet a wider range of needs, particularly in relation to students who do not yet have a C in English and/or mathematics than most, albeit not all, school sixth forms.

In the final section of this chapter, we explore how this distribution of need and patterns of provision has changed over the last two academic years.

Institutions reported that they have been spending more on supporting students with additional needs over the last two academic years.

Through our funding template, we asked institutions to provide us with data on their student numbers and spending for the last two academic years (2013 to 2014 and 2014 to 2015). Twelve institutions were able to provide us with data for both academic years. Our analysis of the data provided to us by seven FE colleges and three school sixth forms is set out in the table below.

Table 2: Change in spending by FE colleges and school sixth forms between 2013 to 2014 and 2014 to 2015

Type of institution	Average change in the percentage of resources spent on additional support between 2013 to 2014 and 2014 to 2015	Range in the level of change in the percentage of resources spent on additional support between 2013 to 2014 and 2014 to 2015
FE colleges	+10%	2% – 25%
School sixth forms	+2%	2% – 3%

We found that 10 of the 12 institutions that provided data for the two years reported that they were spending more in absolute terms on students with additional needs in 2014 to 2015 than 2013 to 2014. We also received data from two commercial/charitable providers that showed increases in spending of on average 32%. This is comparable to the higher end of the range given for FE colleges in Table 2.

The two institutions that reported that they were not spending more in 2014 to 2015 than the previous academic year were a FE college, which reported spending 2% less and had also seen a small drop in its student numbers, and a sixth-form college, whose spending was broadly consistent in both years. Overall, therefore, the data we gathered suggest that, on average, what FE colleges and commercial/charitable providers were spending on supporting students with additional needs increased by more between 2013 to 2014 and 2014 to 2015 than it did among school sixth forms.

Table 2, above, compares what institutions were spending in absolute terms on additional support in 2013 to 2014 and 2014 to 2015. In addition to this, we also sought to test whether we saw the same pattern if we compared institutions' reported spend as a proportion of their overall 16-19 formula allocation. Our findings for FE colleges and school sixth forms are set out in Table 3, below.

Table 3: Table showing spend on additional needs as a proportion of 16-19 funding formula allocation for FE colleges and schools in 2013 to 2014 and 2014 to 2015

	% reported spend on additional needs in 2013 to 2014 (*For comparison, in brackets is the % of disadvantage funding received by institutions in our sample)*	**% reported spend on additional needs in 2014 to 2015** (*For comparison, in brackets is the % of disadvantage funding received by institutions in our sample)*
FE colleges	**17%** (15%)	**19%** (15%)
School sixth forms	**9%** (8%)	**9%** (6%)

The data in Table 3 show that both FE colleges and schools reported spending a greater proportion of their 16-19 budget on additional support than was accounted for by their disadvantage element. The data also show, however, that as well as reporting an increase in spending on additional support in absolute terms, FE colleges also reported an increase in spending on additional support as a proportion of their overall 16-19 budget – from 17% to 19%. Over the same period, school sixth forms reported that their funding remained consistent, on average accounting for 9% of their 16-19 budget. The data we received from one sixth-form college and two commercial/charitable providers also suggested that the proportion of their budget being spent on additional support remained consistent during this period.

In order to understand what might be driving these changes, we looked at the number of students with additional needs in the intakes of FE colleges and school sixth forms that we visited. The results are set out in the table below.

Table 4: Table showing the proportion of students with additional needs in FE colleges and school sixth forms in 2013 to 2014 and 2014 to 2015

	% of students with additional needs		% of students with SEN (not including high-needs)		% of students who do not yet have a C in English and mathematics GCSE	
	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15
FE colleges	43%	48%	25%	25%	25%	33%
School sixth forms	33%	30%	5%	4%	No comparable data – only one school had students who did not have English and maths GCSE	

The table above suggests that, on average, the proportion of students in the FE colleges we visited who require some form of additional support has grown between 2013 to 2014 and 2014 to 2015 (from 43% to 48%). Similar proportions were reported to us by one commercial / charitable provider. Over the same period, on average, the proportion in the school sixth forms we visited has decreased (from 33% to 30%). Among school sixth forms, there was a range in the proportion of students that the schools reported as requiring additional support – from 5% to 50%, the latter in an area of high deprivation. Nevertheless, the data suggest a pattern.

In part, this may reflect broader shifts following the raising of the participation age and local efforts to re-engage young people who have become NEET. As our analysis of responses to the hypothetical profiles suggests, a larger proportion of these young people are likely to be educated in FE colleges and other providers of predominantly vocational programmes, and to a lesser extent in sixth-form colleges, than school sixth forms. Equally, as Table 3 suggests, FE colleges did not report a significant growth in the proportion of students with SEN. They did, however, report a growth in the proportion of their students who do not yet have a C in English and mathematics – from 25% in 2013 to 2014 to 33% in 2014 to 2015. The latter was the year when the condition-of-funding related to students who did not yet have a C in English and mathematics was introduced.

What does this tell us about different patterns of spending on additional support in different types of 16-19 institutions? A summary of our key findings.

In this chapter, we have described evidence gathered from our fieldwork interviews, analysis of profiles of seven hypothetical young people, and data on student numbers and spending on additional support reported to us through our funding template. Taken

together, this has shown three key differences in institutions' need to spend on additional support.

a. **FE colleges reported that a greater proportion of their students require additional support than school sixth forms** – 48% among FE colleges compared with 30% among school sixth forms. One commercial/charitable provider also reported that a greater proportion of their students required additional support than that reported by school sixth forms.

b. **FE colleges and non-schools providers reported supporting a wider range of student needs than were likely to be seen in school sixth forms** – this finding is supported by our analysis of the hypothetical profiles, set out in Figure 5.

c. **Over the last two academic years, FE colleges and non-schools providers reported a greater increase in the overall proportion of students with additional needs, and specifically those who need support in English and mathematics, than school sixth forms**. FE colleges have reported an increase in the overall proportion of students with additional needs from 43% to 48%, and in those who need support in English and mathematics from 25% to 33%. Commercial/charitable providers reported similar increases. Among school sixth forms, the proportion of students with additional needs was reported to have fallen from 33% to 30%.

While we have described that institutions were using their resources to fund similar *categories* of support, our evidence has also suggested that these three factors, above, account for two important differences in institutions' spending on additional support.

a. **FE colleges reported spending a greater proportion of their 16-19 budget on additional support than school sixth forms**. The average for FE colleges in 2014 to 2015 was 19%. On average, the disadvantage element of their formula funding for these institutions was 15%. Among school sixth forms, the average was 9% in 2014 to 2015. School sixth forms' disadvantage element was, on average, 6% of their 16-19 budget. The proportions for sixth-form colleges and commercial/charitable providers was reported to have remained steady.

b. **FE colleges and other non-school providers also reported that they were spending more in absolute terms and as a proportion of their 16-19 budget in 2014 to 2015 than the previous academic year**. FE colleges reported spending 10% more in 2014 to 2015 on additional support than the previous year. They also reported spending, on average, 17% of their 16-19 budget on additional support in 2013 to 2014 and 19% in 2014 to 2015. School sixth forms reported an increase in absolute terms of 2%, but also that on average their spending on additional needs had remained consistent at 9% in both years.

Of course, it would be unwise to attempt to draw broad conclusions from our sample of institutions to the whole of the 16-19 education sector. As we have described throughout this chapter when presenting our findings, each institution's local context can influence what it needs to spend on additional support. While we have presented data where we can, not all institutions were able to provide data relating to what they were spending on additional support. Those that did provide data acknowledged that, in places, these were based on estimates, for example of the proportion of a particular form of support that went to students with additional needs.

In this chapter, we have, however, highlighted what we think are the key findings from the 20 institutions that we visited about how they use their 16-19 formula funding to support students with additional needs. In the next chapter, we turn attention to the way in which institutions were using their discretionary bursary funding.

Chapter 3: How do 16-19 institutions use their discretionary bursary funding?

As we described in chapter 1, all of the institutions that we visited described how they treated their formula funding flexibly to meet the needs of all students, but that they treated their discretionary bursary funding as a separate, “balance-sheet” exercise. Having described the way in which institutions reported using the formula funding in the previous chapter, in this chapter we describe the ways in which institutions were using their discretionary bursary funding to support students with additional needs.

It is important to be clear what we mean by the ‘discretionary bursary’. This was one of two bursary schemes introduced for the academic year 2011 to 2012, following the abolition of the education maintenance allowance (EMA). The first is the **vulnerable bursary** scheme. Students are eligible for the vulnerable bursary, a payment of £1,200, if they are:

- in care or care-leavers; or
- receiving either income support or disability living allowance (or personal independence payments) plus employment and support allowance (or universal credit as a replacement for income support or employment and support allowance) in their own right.

Institutions are responsible for identifying students who meet the criteria and drawing down funds from the student bursary support service (SBSS).

The second is the **discretionary bursary**. It is so-called because 16-19 institutions have discretion as to how they set up and administer the scheme in order to support students who would not be able to stay in education without financial assistance, for example because they need support with transport, meals or equipment. Institutions receive an allocation of discretionary bursary funding that is based on the proportion of students who received the EMA in the academic year 2011 to 2012, applied as a percentage to their current student numbers, and then paid at a standard rate of £298 per student. The EFA’s guidance suggests that it is good practice to use the bursary to pay for items that students may need in kind, rather than making cash payments, and to do so weekly, which students say they prefer.

The vulnerable bursary was outside the scope of our research. Instead, our focus was on how institutions use their discretionary bursary to support students with additional needs. Specifically, we wanted to understand the eligibility criteria that 16-19 institutions used, how the bursary was paid to students and on what it was spent.

Institutions took similar approaches to determining eligibility for and receipt of the discretionary bursary, but applied these criteria differently.

Three quarters of the institutions we visited published details of bursary and financial support for students on their website. We reviewed information published online and discussed in detail each institution's approach to the discretionary bursary as part of our fieldwork. We found that all institutions took a broadly similar approach to the discretionary bursary scheme. This had two main components.

a. **Eligibility criteria based on an indicator of economic deprivation** – all institutions set criteria to determine which students were *eligible* for bursary support based on an indicator of economic deprivation. Colleges and other providers used criteria based on the household income in a student's family home, while the school sixth forms used household income and/or past eligibility for free school meals. Just fewer than half of the institutions we visited, particularly school sixth forms, described explicitly that they had the flexibility to include other students who were facing significant needs, but who may not meet the main eligibility criteria, within the discretionary bursary.

b. **Conditions-of-receipt based on attendance, progress, behaviour and attitudes to learning** – in addition, all institutions also placed strict conditions that students had to meet in order to *receive* their bursary payments. These conditions were based on students demonstrating good attendance, behaviour and attitudes to learning.

In addition to these similarities, we also saw three differences in the ways in which institutions set up their discretionary bursary schemes.

a. **Different eligibility thresholds** – among FE colleges specifically, we found that different colleges used different eligibility thresholds. In one FE college, for example, students were eligible for the discretionary bursary if their family's annual household income was less than £17,000. In another FE college, however, the threshold was set at annual household income of £26,000. In the case of the latter, the institution described how this threshold had been set based on a strategic decision to provide support through the discretionary bursary to a larger pool of students who needed support with, among other things, meals and transport.

b. **The application of conditions-of-receipt** – almost all institutions required students to meet fully all conditions in order to receive their bursary payment. For example, if the institution had set a 95% attendance condition-of-receipt, a student who attended for 90% of the required time would not receive that payment. Two institutions – both commercial / charitable providers – divided up the bursary payment by the number of sessions a student was expected to attend and made

payments based on this. For example, if a student attended three out of four required sessions, they received 75% of that week's payment. One school sixth form also made bursary payments based on the proportion of sessions the student had attended.

c. **Levels of support available within the discretionary bursary scheme** – over three quarters of institutions arranged their bursary based on a single eligibility threshold. We found, however, that four of the institutions we visited – one FE college, one sixth-form college and two school sixth forms – operated a stepped approach to their discretionary bursary scheme. In these institutions, within the main eligibility criteria there were different levels of support depending on a student's household income and level of need.

Overall, we found that institutions had adopted broadly similar approaches to determine the students who were eligible and who would receive support from the discretionary bursary scheme. Where there were differences in the criteria used, the way in which conditions-of-receipt were applied or the levels of support, these reflected strategic decisions taken by individual institutions to meet local needs. We did not find any patterns in terms of different approaches taken by different types of 16-19 institutions.

We found two distinct approaches that institutions took to planning and spending their discretionary bursary funding.

We found that the institutions we visited used one of two approaches to planning and spending their discretionary bursary funding.

a. **The "fixed pot" approach** – institutions who adopted this approach took their discretionary bursary as their starting point, analysed and projected the likely demand for support over the course of an academic year, and then calculated the level at which the bursary would be paid. Many also built in a contingency so that they could respond to emergencies and instances where students experienced exceptional hardship, which national guidance encourages institutions to do. Institutions described two advantages to this approach. First, it minimised the risk of overspending. Second, if the analysis and projections were robust, it enabled the institution to plan strategically, taking account of predictable demand, the need for support for any students joining in-year, and the likely need for exceptional hardship support. The risk, they said, was that if the analysis was not accurate, institutions could underspend their allocation and find at the end of the year that they could have given students more assistance than they actually received.

b. **The "fixed rate" approach** – institutions that took this approach had a set rate at which they provided financial assistance to students who needed it. Institutions that used this approach argued that it enabled them to set the level of their discretionary bursary at a level that they felt met the needs of most individual

students. As with the “fixed pot” approach, institutions saw a risk of underspending, but equally they also saw how the “fixed rate” approach carried a risk of overspending their allocation. Indeed, just less than half of the institutions using this approach described how they “topped up” their discretionary bursary fund with resources from other parts of their income.

We found 14 of the institutions used what we have termed the “fixed rate” approach – this included seven of the eight FE colleges we visited, both commercial/charitable providers, three of the school sixth forms, and one sixth-form college. The remainder used the “fixed pot” approach.

As we have described above, if institutions are not able to plan take-up of the discretionary bursary accurately, there are risks that institutions could underspend or overspend their bursary allocation. When we examined the data provided by 12 institutions, we found that half (six) reported that they were broadly on track to spend in line with their bursary allocations for 2014 to 2015. Of these institutions, all either provided data showing their spending on the discretionary bursary was broadly in line with their allocation or were expecting to be at that point at the end of the academic year.

Of the remaining institutions, half (three) reported spending more than their discretionary bursary allocation. These represented a mixture of different institutions, including colleges, school sixth forms and other types of 16-19 institution. The remaining three institutions reported small underspends. Two of the three were smaller institutions of fewer than 200 students. In these instances, the data reported to us indicating an apparent underspend may reflect a combination of where the institution was in the academic year (for example, if they still had payments to make to students) and small year-to-year fluctuations in eligibility and uptake. We should point out that institutions are able to accrue discretionary bursary and roll over underspends from year to year in order to manage these fluctuations and meet students’ needs.

We also examined institutions’ reported spend per student. We found that 10 of the 12 institutions that supplied data reported spending more per student than the rate used to calculate the institution’s bursary allocation (£298). The institutions argued that this reflected different levels of eligibility, take-up and the nature of local needs. As Table 5 shows, the data also revealed that FE colleges reported that they spent their bursary funding on a greater proportion of their students (40% on average) but spent less per student (£405) than school sixth forms. The latter reported that 14% of their students received the bursary and received on average £627 per student.

Table 5: Proportion of students receiving the discretionary bursary and spend per student reported by FE colleges and school sixth forms for the academic year 2014 to 2015

	% of students receiving the discretionary bursary in 2014 to 2015	Reported spend per student
FE colleges	40%	£405
School sixth forms	14%	£627

Commercial/charitable providers reported figures similar to those of FE colleges, while the sixth-form college that provided data reported figures similar to those of school sixth forms.

While the discretionary bursary remains relatively new, our findings suggest institutions are developing approaches that enable them to plan and allocate their discretionary bursary funding effectively. This reflects the fact that institutions are gaining more experience at how to balance demands on the discretionary bursary fund. In this respect, we should also note the work carried out by the EFA following the evaluations of the discretionary bursary to develop the relevant guidance for institutions and disseminate examples of good practice (Callanan et al 2014, Lloyd et al 2015).

Delivering the discretionary bursary scheme across a consortium of four sixth forms: The Southern Consortium

Dagenham Park Church of England School is one of four school sixth forms that make up the Southern Consortium. In addition to collaborative work related to planning and quality-assuring study programmes, the Consortium also takes a single approach to delivering the discretionary bursary. The Consortium has a consistent eligibility criterion (based on free school meals eligibility) and conditions-of-receipt (based on attendance). One school within the Consortium acts as the administrator of the scheme, with fortnightly payments made to students to meet their individual needs and enable them to continue to participate in their post-16 education.

Institutions described two sets of challenges to planning their discretionary bursary spending.

Under both the “fixed rate” and “fixed pot” approaches, accurate planning of likely demand and take-up from students is vital to ensuring that discretionary bursary funding is used to best effect. In relation to planning their discretionary bursary spending, institutions described two sets of challenges.

a. **Students joining mid-year** – institutions that admitted students part-way through an academic year reported that this could create particular challenges for managing the discretionary bursary scheme. They argued that it was often very difficult to predict how many students would join mid-year, but that those that did were likely to require support through the discretionary bursary scheme. This issue was reported to us predominantly by FE colleges and commercial / charitable institutions, but not by sixth-form colleges and school sixth forms. This is not surprising given that sixth-form colleges and school sixth forms mainly offer A levels, which are not usually started mid-way through an academic year.

b. **Overcoming perceptions of stigma that may affect take-up** – this second set of challenges related to what some institutions described as the need to overcome students' perception of the stigma of receiving financial assistance. A quarter of institutions also reported that they had experienced low and/or variable take-up of the discretionary bursary scheme, which they attributed to difficulties in overcoming this stigma. These tended to be school sixth forms, although two FE colleges also described a similar set of challenges. These institutions said that the proportion of students taking up the discretionary bursary had been lower than their estimates of the proportion of students who were eligible.

Institutions also described three ways they had found to be effective in boosting take-up and overcoming stigma.

Of the institutions that had experienced low take-up and difficulties in planning how to allocate the discretionary bursary, half described how they had taken steps to investigate the causes of this low rate of take-up. These institutions had subsequently identified a range of ways to communicate information about the bursary to students in order to boost take-up and overcome or avoid perpetuating any stigma that may put students off from applying. They had drawn three main conclusions from this.

a. **Make the application process as straightforward as possible** – institutions recognised that the application process, particularly having to prove household income levels, could be putting some students off from applying. For this reason, two school sixth forms had moved away from this process and adopted an eligibility criterion based on previous eligibility for free school meals.

b. **Take a pro-active and multi-level approach to communicating information about the bursary** – institutions argued that communicating the same messages often, in different forms, and to both students and parents was key to increasing uptake of the discretionary bursary. For example, one school sixth form described how it had seen greater take-up after it published information about the discretionary bursary on its website, promoted the bursary at its sixth form open evenings, sent information directly to students and sent text messages to parents.

The school argued that this combination of communication activities was crucial to ensuring the message reached students and their families.

c. **Avoid inadvertently identifying students in receipt of bursary support** – a small minority of school sixth forms and colleges had recognised that, if students paid for meals in school with cash, those students who paid for their meals in a different way could be stigmatised. Of these, one school sixth form and one FE college had moved to cashless payment systems that used rechargeable payment cards. One FE college also described how it funded an offer of free breakfasts and lunches that was available to, although not taken up by, all students.

Increasing discretionary bursary take-up: Saltash.net Community School

In previous years, Saltash felt that not all students who were eligible and would benefit from the discretionary bursary had taken it up. In 2014 to 2015, it took a more pro-active, multi-level approach to promoting the bursary to students. This included not only publishing details on its website, but also highlighting who was eligible, how to apply and the benefits of the discretionary bursary to rising Year 11 students at open evenings. It sent information directly to students and, crucially, to parents, including via text message. This ensured that the right information reached all students and parents, and that both heard the same messages. Take-up in 2014 to 2015 was up 50% on the previous academic year.

Just over half of the institutions we visited paid the discretionary bursary via regular payments into students' bank accounts.

As we noted earlier in this chapter, the EFA's guidance on the discretionary bursary suggests that it is good practice to pay for items that students may need in kind, rather than making cash payments, and to do so weekly, which students say they prefer. In our fieldwork, we found that two thirds of the institutions we visited paid the discretionary bursary to students wholly or partially by means of payments into their bank accounts. This included half of the FE colleges and four of the school sixth forms, as well as all other institutions we visited.

We found, however, that the frequency with which these payments were made to students varied between institutions. Specifically, just over half of the 16-19 institutions we visited distributed the discretionary bursary through small, regular weekly or fortnightly payments to students.

Of the remaining FE colleges and school sixth forms, these institutions described allocating their discretionary bursary to students through a combination of different

means. Specifically, they used different means of spending their discretionary bursary funding depending on the specific form of support they were providing to an individual student. For example, an institution might support a student with the cost of books and study equipment through a payment into their bank account, but provide support for transport as an in-kind benefit, and subsistence via a pre-charged cashless card system. Where institutions were using the discretionary bursary to provide in-kind support, this was usually used to fund transport for students. The majority of these institutions made regular payments into students' bank accounts for some items of support, but often provided transport support as an in-kind benefit. Only two institutions – one school sixth form and one FE college – reported that they provided only in-kind support via their discretionary bursary scheme.

Overall, almost all institutions had arranged their discretionary bursary scheme so as to balance giving students flexibility in how they used their bursary payments with the need to ensure public money was used for the purposes for which it was intended. In almost all instances where institutions were using their discretionary bursary to fund larger items such as annual travel-cards, these were provided as an in-kind benefit. Institutions tended not to ask for receipts to show how students had used small weekly or fortnightly payments.

The majority of institutions reported that the bursary was used specifically to help students overcome barriers to accessing their study programme.

When we asked what the discretionary bursary was spent on, almost all institutions said that it was spent on books and study equipment, transport and meals. In a third of institutions, bursary funding was also used to fund students' participation in visits related to their study programmes, university open days or enrichment trips. Two reported that it might be spent on larger items such as business-wear in preparation for a job or university interview.

School sixth forms also described how they aimed to use the discretionary bursary – as well as some of their formula funding – to ensure that students who had been eligible for the pupil premium received the same level of support as they had pre-16. These institutions described how they might consider spending their discretionary bursary funding on enrichment activities and trips, although the EFA's guidance indicates that the bursary should not be spent on these activities.

We did not, therefore, find that there were broad differences related to what institutions were spending their discretionary bursary funding on. The differences we did see, however, related more to the philosophy that underpinned an institution's approach to the discretionary bursary. Broadly speaking, what we found suggested that there was a spectrum of different approaches depending specifically on how much guidance an institution sought to provide to ensure the bursary was spent specifically on educational

purposes. At one end of this spectrum were the 16-19 institutions that sought, wherever possible, to use the discretionary bursary to provide in-kind support so as to ensure it was used to maximise the benefit to a student's access to their post-16 education.

Moving across the spectrum were the 16-19 institutions that argued for the importance of giving students autonomy about how to spend the discretionary bursary. They argued that this enabled the bursary to be tailored to the specific circumstances and needs of each individual student, but also helped to instil in students the discipline of managing their own finances.

At the other end of the spectrum was a very small minority (less than a quarter) of the institutions we visited that have largely used the discretionary bursary to continue to provide more of an EMA-style payment. When asked what the discretionary bursary was spent on, these institutions described how they made regular payments, but how the funds were spent was largely up to students. In this small minority of cases, it was not clear what guidance was in place to ensure this funding was used to overcome barriers to students continuing in education.

What does this tell us about how institutions are spending their discretionary bursary funding? A summary of our key findings.

The institutions that we visited reported that they valued the discretionary bursary, both the ability to provide financial assistance to students who needed it and the scope to arrange the bursary to meet local needs. Our findings suggest that almost all institutions were using their discretionary bursary funding in ways that were broadly in line with the aims of the policy, namely to support students to remain in education where they need financial assistance to do so. We have also described how institutions had developed a range of ways of arranging their discretionary bursary schemes. These included:

- **adopting similar eligibility criteria and conditions-of-receipt, but applying these differently** – for example, we found that institutions used different eligibility thresholds, applied conditions-of-receipt differently, or operated different levels of support within the bursary; and

- **adopting either a "fixed rate" or "fixed pot" approach** – we found almost three quarters of institutions adopted what we have called a "fixed rate" approach.

Whichever approach institutions use, being able to project need and take-up and plan accordingly is crucial to maximising the impact of the discretionary bursary. We found that half of the institutions that supplied us with data reported that they expected their discretionary bursary spending to be broadly in line with their discretionary bursary allocation for 2014 to 2015. The remaining half were evenly split between those who reported spending more than their allocation and those whose data indicated they would

underspend their allocation. Of the latter, two of the three institutions were small institutions, and the apparent underspend may have reflected a combination of the fact they still had payments to make before the end of the academic year and small year-to-year fluctuations in uptake.

In terms of how institutions spent their discretionary bursary funding, two thirds of the institutions we visited distributed the discretionary bursary wholly or partially by means of payments into students' bank accounts. Just over half of the 16-19 institutions we visited distributed the discretionary bursary through small, regular weekly or fortnightly payments to students. We did find, however, that almost all institutions had processes in place to ensure that the discretionary bursary was spent on educational purposes. A small number of institutions described that it was largely up to students how their bursary payments were spent.

These findings suggest that, overall, institutions are using the discretionary bursary effectively. The last point suggests that there may be more to be done to ensure that all institutions are putting appropriate processes in place so as to balance students' autonomy with providing assurance that the discretionary bursary is being used for educational purposes.

Chapter 4: Do 16-19 institutions think the current mechanism for funding support for students with additional needs is fair and effective?

During our fieldwork, we asked institutions whether the current *mechanism* for distributing funding to institutions to support student with additional needs – specifically the disadvantage element of the funding formula – was the most fair and effective way of doing so. We also asked whether there were any other ways in which they think funding mechanisms relating to support for additional needs could be improved. It was beyond the scope of this research to gather evidence of institutions' views on the *total amount* of funding available for 16-19 education – although several institutions we visited put their views on this across to us.

The majority of 16-19 institutions considered that the current formula approach was the most effective and fair mechanism for distributing additional needs funding.

Three quarters of the institutions we visited were in favour of the current approach, while the remainder said that they would prefer a ring-fenced budget similar to the old low-level ALS budget. It was notable that this difference of views about how 16-19 formula funding was arranged did not break down along institutional lines. Both the group arguing in favour of the flexible formula allocation and that arguing in favour of the ring-fenced contained institutions of all types. We did not find, for example, that schools favoured one approach and colleges another, nor did we find that larger institutions generally took a different view from small ones.

Where institutions supported the current flexible formula allocation, they offered three related reasons.

a. **Autonomy and flexibility** – institutions argued that it was important for them to have the flexibility to use resources to meet the needs of their students and to adapt to their local context. While some of the areas in which their students needed support were similar, the institutions we visited also described an array of challenges specific to their local context – whether that was a lack of transport, the need to compensate for a reduced local service, standards in local secondary schools, or few local employment opportunities. They valued the way in which they could use their 16-19 funding flexibly to tailor their support to the needs of the communities in which they worked. As we have explained in chapter 1, all institutions reported using their funding formula flexibly while, as we have shown in chapter 2, institutions reported spending more on supporting students with additional needs than the disadvantage element in their formula. Institutions argued that the flexibility to use their formula, not just their disadvantage funding, was vital to meeting students' additional needs.

b. **Fostering inclusive practice and effective support** – related to the last point, institutions also argued that receiving a single formula allocation, rather than multiple ring-fenced pots, sent an important signal about institutions' responsibility to meet the needs of all of their students. They argued that ring-fencing or earmarking funding for additional needs could send two unhelpful signals to institutions. First, it suggested that additional support was an "add-on", something additional to the institution's core business. Second, it signalled that what was within the ring-fence was the limit of what an institution should spend on additional support, and could lead institutions to think that they needed to request additional funding in order to meet students' needs above this level. Institutions argued that the combination of these two signals would impede effective, integrated, personalised support for students with additional needs.

c. **Financial viability** – particularly, but not exclusively, smaller 16-19 institutions argued that it was vital for them to be able to use the entirety of their 16-19 funding flexibly to meet the needs of all of their students. They argued that this flexibility was crucial to enable them to sustain their provision and remain viable.

Among the quarter of the institutions that we visited that said that they would prefer a ring-fenced additional support budget, there were two broad reasons offered.

a. **The inclusion perspective** – these institutions argued that it was important that all 16-19 institutions were clear about what they should be spending on support for students with additional needs and that this funding should be protected from spending reductions. Interestingly, although all of these institutions used their funding formula flexibly, their argument was more about the need for a ring-fence to signal to other, less inclusive, 16-19 institutions what their responsibilities were for students with additional needs.

b. **The finance perspective** – finance managers in some of these institutions argued that, purely from a book-keeping perspective, it would be more straightforward if there was a ring-fenced additional needs pot. They said that this would help them to know what should be spent and against which they could compare the institution's actual spending. There is, however, nothing to stop institutional leaders adopting this approach – as we noted in chapter 1, a quarter of institutions reported that they used the disadvantage element of their funding to "check back" to see if their spending was broadly in line. Some additional support leads also argued that a ring-fence would be useful to them in making the case to leaders for the importance of investment in additional support.

Tellingly, institutions on either side of this debate recognised the importance of an institution's leadership and ethos as the key factor in determining whether resources were used effectively to support students with additional needs. Those who argued in favour of a ring-fence did so because they felt this sent a signal about their core responsibilities to institutions that were perhaps less inclined towards including and

supporting students with additional needs. Those who argued against a ring-fence did so because they felt it was a blunt instrument and would impede inclusive, flexible and personalised approaches to supporting students. On both sides, however, there was recognition that such inclusive practices had not been universal before 2013, when 16-19 institutions had received a separate low-level ALS budget. The crucial point made by all institutions was the importance of highlighting to institutions, through funding and other means, their responsibility for meeting the needs of all of their students and encouraging inclusive, student-focused approaches to support.

Another argument in favour of a single flexible formula allocation, albeit one that was more implicit than explicit in the feedback from institutions, was the recognition of not only the *fairness* but also the *limitations* of formula funding. Overall, among the institutions we visited, there was a mature appreciation that a funding formula was a *fair* way of distributing resources, but that it would never be a completely *perfect* distribution. Institutions recognised that having a formula allocation that was not divided into smaller, ring-fenced pots, but could be used flexibly, was an important mechanism for evening out instances where formula funding did not exactly match an institution's need to spend. We found that 16-19 institutions generally had a greater understanding of formula funding, including its advantages and limitations, than, for example, we found among schools and other settings about pre-16 formula funding in a previous research project we undertook on SEN funding (Parish and Bryant, 2015).

Furthermore, almost all of the institutions we visited considered that the right combination of factors – economic disadvantage and prior attainment – were used to allocate funding to institutions to support students with additional needs. There were two questions raised by institutions specifically about the operation of the 16-19 funding formula in relation to support for students with additional needs.

a. **Students whose needs fall just below the high-needs threshold** – two FE colleges were concerned that the formula factors did not adequately reflect institutions with a large number of students with high levels of needs that fell just below the high-needs threshold. In particular, they argued that the formula factors did not always adequately reflect the needs of some students, for example those with high-functioning autistic conditions, whose needs did not correlate well with economic disadvantage or low prior attainment. These issues are not exclusive to the 16-19 funding formula. Indeed, we have discussed options for factors that could be incorporated into SEN funding formulae in our research on SEN funding cited above.

b. **Recognising schools' need to continue to support students with additional needs in sixth form** – the schools we visited spoke of the importance of being able to offer students the same level of support post-16 as they received pre-16. One school argued that, as a result of the support it had put in place to overcome students' barriers to learning and enable them to achieve C grades or better in

English and mathematics GCSE, it received less funding to continue that support post-16. The school's contention was that, since the formula allocated funding based on students who did not have C grades in these subjects, it would receive less funding, yet there was an ongoing need to support these students during their post-16 studies. The school did not, however, have a proposal for how to address this, and we think it is right that, at a national level, the funding formula seeks to allocate funding to reflect the cost of supporting students to continue studying English and mathematics post-16.

Where institutions identified issues with 16-19 funding for additional needs, these concerned related policy areas such as the interface with high-needs funding.

During our fieldwork, we also asked the 20 institutions we visited whether there were any other ways in which 16-19 funding for additional needs could be improved. Four main sets of concerns and proposals were put forward.

a. **"Take out the battle about high-needs element 2"** – almost all institutions described both the varied practices among local authorities for commissioning places for post-16 students with high-needs and confusion about when local authorities were expected to provide institutions with additional element 2 funding. We have detailed some of the issues relating to the commissioning of post-16 high-needs places and made recommendations for addressing this in our previous research on SEN funding. The present report is not the place to repeat that. What is relevant to our research on 16-19 additional needs, however, was institutions' contention that protracted debates about the sufficiency of element 2 funding were having a knock-on effect on support for students with additional needs below the high-needs threshold. The argument ran as follows. Where a 16-19 institution received more high-needs students than it had element 2 place-led funding, and where a local authority refused to provide additional funding to compensate for this, institutions would have to draw resources from their formula funding. They would do this by diverting resources from their disadvantage funding allocation, which would mean that there were fewer resources left to support students with additional needs that fell below the high-needs threshold.

b. **"Make sure transport policy supports students to stay in education post-16"** – as described in chapters 2 and 3, all institutions were providing support to students with meeting the costs of transport through their discretionary bursary. In addition, just fewer than half of the institutions we visited reported that they were using their formula funding to provide additional transport costs for students who would not otherwise have been able to engage in post-16 study. These institutions saw that they had to use their resources to do this as local transport provision was reduced – for example, local authorities withdrawing bus routes or spare-places

schemes, both of which were reported to us. These institutions reflected that, to them, it appeared transport policy and education policy were out of step. Specifically, they considered that, following the raising of the participation age, transport services locally should be provided that supported young people remaining in education post-16. Inadequate local transport, they argued, impaired young people's choices about post-16 study and access to education.

c. **"Ensure there is sufficient investment in local emotional and mental health services to meet a growing need"** – as with transport, institutions argued that they were having to spend their resources on counselling and mental health services to compensate for a lack of local provision. They argued that this was not sustainable in the long term, and there needed to be better access to local emotional and mental health support for young people, particularly those aged from 16 to 19. We recognise that this issue is not exclusive to the 16-19 education sector, and is one that has captured recent national attention through the coalition government's children and young people's mental health and wellbeing taskforce and the 2015 publication of the taskforce's report, *Future in mind*. Nevertheless, the institutions we visited, including schools, reported that challenges in accessing local emotional and mental health services were even more difficult in respect of students post-16 than pupils pre-16.

d. **"Ensure the 16-19 funding system supports institutions that are growing rapidly and developing new provision"** – lastly, institutions argued that the lagged model, whereby institutions' funding is calculated based on student numbers from the last academic year, did not support institutions that were growing rapidly or seeking to develop new provision. They considered that a mismatch between student numbers and funding allocations would have a more disadvantageous effect on students with additional needs, due to the higher cost of providing the support they need. A small minority (around a quarter) of institutions, including school sixth forms and also those offering less traditional study programmes, also argued that the formula did not work for institutions that were seeking to develop new study programmes or provision to meet a perceived local need. They argued that a separate, business-case process for accessing resources to develop new provision, perhaps linked to the new area reviews, might complement the regular, student-led funding formula.

Chapter 5: What are the challenges 16-19 institutions are facing and what are the implications for how they support students with additional needs?

16-19 institutions reported facing a set of four common challenges.

While the majority of the institutions we visited were content with the mechanisms for distributing funding for support for students with additional needs, they also identified a set of challenges affecting the additional support that they needed, and were able, to offer. There were four specific challenges that the institutions identified, and these were common across all of the types of 16-19 institutions we visited.

a. **Tighter budgets** – hitherto, 16-19 education funding has not been protected in the same way as other parts of the education budget. Institutions of all types described that changes to the funding formula, previous institution-level transitional funding protection coming to an end, and pressures on the national 16-19 education budget were putting their institutions' budgets under strain.

b. **Increasing supply of places at a time of cohort decline and consequent competition** – policy changes introduced under the previous coalition administration have enabled academies to open sixth forms and the creation of new 16-19 provision in the form of free schools and university technical colleges. These have expanded students' choice of where they study, but also led to competition between institutions that need to attract students in order to remain viable.

c. **National policy and accountability reforms** – reforms of 16-19 study programmes, including the introduction of the condition-of-funding relating to students who do not yet have C grades in English and mathematics, and of accountability measures, have had significant implications for how 16-19 institutions plan, deliver and fund their curriculum and support. This is particularly the case for institutions that may need to develop new teaching approaches and/or additional support to meet these new requirements, as we describe in more detail below.

d. **Increasing demand for support and diminishing local services** – the 16-19 institutions we visited reported that they were seeing both greater demand for and diminishing access to services relating to, for example, mental health, family support and homelessness. Institutions whose intake included a larger proportion of students with additional needs were expecting that demand to increase through the roll-out of the raising of the participation age. Institutions reported that this was putting greater pressure on them to use their budgets to offer services to

compensate for the difficulty in accessing or lack of local support services. They argued that this mismatch between need and local support services was more pronounced post-16 than pre-16. They also argued that, within budget constraints, 16-19 institutions had less room to manoeuvre than pre-16 institutions with regard to being able to use their resources to provide their own, in-house, support.

While institutions are facing the same challenges, the implications of these challenges are distinct for different types of 16-19 institutions.

In terms of **school sixth forms**, as we described in chapter 2, almost all of the schools we visited reported that students who did not have a C grade in English and/or mathematics would be unlikely to meet the entry requirements to study in their sixth form. These schools described how they had taken the decision to focus predominantly on academic study programmes. Very few of the schools we visited reported that they had specifically *raised* their entry requirements. One school described how they had recently ceased to offer many of the vocational programmes they would have offered previously. Almost all schools and half of the other institutions we visited reported that other school sixth forms in their local area had raised their sixth form entry requirements recently.

One third of the institutions that we visited, including half of the school sixth forms, also reported that local schools, due to a combination of tighter budgets and local competition, could no longer afford to offer a broad range of study programmes, including vocational pathways. Two school sixth forms argued that it was more difficult to meet the needs of students who needed additional in-class support on some A level and other advanced academic study programmes, since they could not recruit support staff with the right level of subject knowledge. In chapter 3, we have highlighted the way in which The Marsh Academy has sought to ensure students get the right, subject-specific, learning support.

As a result, school sixth forms saw that their type of 16-19 institution was facing a challenge of recruiting from a pool of students who wanted to study academic subjects in the face of greater competition among similar institutions. Data published by the Department for Education suggest that, over the last four academic years up to and including 2014 to 2015, there have been 260 new school sixth forms, university technical colleges and studio schools. To put this in context, in 2014 to 2015, there was a total of 3,343 16-19 institutions in England. Two thirds of the schools we visited anticipated that this trend of growing numbers of school sixth forms could result in school sixth forms having fewer students – and increasing the need for schools to share sixth forms. Indeed, one of the school sixth forms we visited was part of a shared sixth form while another was part of a consortium of four school sixth forms.

School sixth forms also anticipated that their intake might include a smaller proportion of students with additional needs, particularly those who did not have a C grade or better in English and mathematics GCSE. Although this pattern is not uniform across all of the

sixth forms we visited, the evidence we gathered and set out in chapter 2 appears to bear out this overall trend. Almost all of the school sixth forms we visited said that students who did not have a C grade or better in English and/or mathematics would not meet their entry requirements. Of the six school sixth forms that provided us with data, four reported that the numbers of students in their sixth form had dropped between 2013 to 2014 and 2014 to 2015.

Two of the schools we visited were seeking to sustain or develop specific vocational programmes – particularly those that saw a gap in the market of local post-16 provision and sufficient demand for the programme to be viable. In one case, this was a response to the same challenges of recruitment and financial viability: the school was seeking to find a niche in the local 16-19 education sector in order to attract sufficient students to remain viable. One other school sixth form argued that they needed to offer a broader curriculum due to a lack of other 16-19 provision locally and/or to reflect the needs of the school's pupils who would be joining the sixth form. This school sixth form was involved in collaborative work with other school sixth forms in order to sustain a broader offer of study programmes than they would have been able to offer as a standalone sixth form.

Sixth-form colleges said that they were facing the same set of challenges, but that these had different implications for their type of 16-19 institution. The sixth-form colleges that we visited, as well as those that were working with other institutions we engaged, described how their local 16-19 education sector had become more competitive. They considered that this had resulted from the creation of new sixth forms and from local schools increasing their entry requirements. This had meant that school sixth forms retained the most academic pupils locally. Like school sixth forms, sixth-form colleges faced a challenge of recruitment and viability. In response to this challenge, sixth-form colleges had chosen not to compete directly with school sixth forms and had not raised their entry requirements. Instead, they had sought to offer a broader range of study programmes so as attract a larger group of students.

As a result, sixth-form colleges reported that they were seeing a student intake with a higher proportion of students with additional needs. They had seen an increase particularly in students who did not have a C grade or better in English and/or mathematics at GCSE, but were also seeing a wider range of student needs than they had supported previously. Sixth-form colleges considered that they had the right teaching approaches to be able to offer catch-up support in English and mathematics. They also recognised, however, that admitting a greater proportion of students with additional needs would require them to develop different forms of additional support than they had offered previously.

The implications were the opposite for **FE colleges and other providers**. As our analysis of the profiles of the hypothetical young people described in chapter 2 has shown, these institutions were likely to be supporting students with a wider range of needs. They described three implications of this. First, FE colleges and other providers

needed to continue to support students with a wide range of needs within tighter budgets. This meant developing more cost-effective models of support and identifying the interventions that make the greatest impact on student outcomes.

Second, FE colleges and other providers said that they were expecting to see a greater proportion of students who, prior to the raising of the participation age, would not necessarily have been engaged in post-16 education. They saw that this would have a further impact on the likely demand for support, and that these types of 16-19 institutions would need to use their resources to meet greater demand for additional support.

Third, FE colleges and other providers felt confident that they had the right expertise in delivering a broad range of additional support. The evidence we gathered suggests, however, that over the past two years these institutions have been investing in developing new teaching techniques to support students with additional needs who do not yet have a C in English or mathematics at GCSE. This has included recruiting teaching and support staff specifically to provide support in English and mathematics, as well as developing specific techniques for engaging students with aspects of English or mathematics that they may have struggled with at GCSE.

Our findings suggest that the differences in the ways in which different types of 16-19 institutions meet the needs of students with additional needs is becoming more pronounced, which may have implications for certain groups of students.

This picture we have painted in the preceding section suggests that the differences in the way in which different types of 16-19 institutions are able to meet the needs of students who require additional support could be becoming more pronounced. We recognise that our research has taken the form of in-depth fieldwork with a small sample of institutions. The trends that we have described above, based on our work with 20 institutions, therefore merit further examination. We also recognise that 16-19 institutions of different sorts have always specialised to some extent. Indeed, it is not a new development that some institutions may be better placed to offer study programmes for the most academic students and others better placed to support students who have not yet achieved a C in English and mathematics. Specialisation can itself improve student choice, progression and standards.

Nevertheless, through our research we wanted to explore what the implications would be for students with additional needs if differences between 16-19 institutions were becoming more pronounced. We asked the institutions that we visited what would happen if the four sets of challenges and the institutional trends described above continued. Our research suggests that, if these trends continued, institutions consider

there would be a risk that they would be less likely to be able to meet the needs of three specific groups of students with additional needs.

a. **Students with emotional and mental health needs** – almost all institutions that we visited had developed counselling services and other forms of support for students with mental health needs. Almost all of the institutions we visited reported that, if pressure on their budgets continued, they would have to downscale or cease altogether their counselling, mental health and some of the broader pastoral support. FE colleges, sixth-form colleges, school sixth forms and other institutions argued that this combination of pastoral and mental health support was vital to meeting the needs of an increasing proportion of their students, but would be at risk if they were asked to make further savings. In one instance, the institution reported that their mental health offer would be reduced to signposting students to their local GP, despite being aware of the shortage of mental health services, since the institution would not be able to continue to fund an in-house counselling service.

b. **High-achieving students whose needs were just below the high-needs threshold** – institutions also argued that they were concerned that budgetary pressures may lead to reductions in support for students whose needs were just below the high-needs threshold. These were students who needed significant amounts of support, which institutions were expected to meet from within their formula allocation. Institutions argued that, if the differences in provision between school sixth forms and colleges and other settings become more pronounced, there would be a risk that few institutions would be able to meet the needs of academic students with complex needs. They envisaged that, for example, a school sixth form may be able to offer the *curriculum* but may not have the necessary *support* needed by a student with high-functioning autism, while a FE college may have the *support* but not be able to offer a *suitably academic study programme*.

c. **Young people who are at risk of becoming or who had been NEET** – lastly, institutions, particularly larger FE colleges, reported that, if they continue to see rising demand and tighter budgets, they would not be able to sustain their outreach and wider strategic partnership working to prevent young people from becoming NEET.

It was beyond the scope of this research to seek corroboration of these trends. Instead, we have sought to connect the evidence that we collected on how institutions are meeting the needs of students with additional needs and how that is changing over time. In this chapter, we have drawn on this to attempt to show some of the ways in which the 16-19 education sector is developing, and the implications of this for students with additional needs.

16-19 institutions are seeing increasing competition in their sector, and we found few examples of collaboration focusing specifically on support for students with additional needs.

The majority (around three quarters) of the institutions we visited considered that 16-19 institutions would need to collaborate more in the future in order to continue to offer sustainable and viable 16-19 study programmes. In light of the challenges described in this chapter, during our fieldwork we also looked specifically at whether and how institutions were collaborating specifically in relation to support for students with additional needs.

Overall, in many local areas, we found that the post-16 education sector was characterised more by competition than collaboration. Institutions ascribed this to the factors described earlier in this chapter, particularly tighter budgets, the need to attract students, and increasing supply of post-16 places. We found a range of ways in which 16-19 institutions were working with one another in general terms, which are set out below.

- **School-to-school collaboration** – almost all of the schools we visited said that they were less likely to be involved in school-to-school collaboration focused on post-16 support than pre-16. Two of the schools we visited had, however, developed collaborative sixth form arrangements – one as part of a shared sixth form and one as part of a consortium of four school sixth forms. A similar number were also considering developing study programmes whereby staff would teach across more than one institution. They considered that this would enable schools to offer study programmes that otherwise would not be viable if offered by a single, standalone institution. Nevertheless, these forms of collaborative working focused more on institutional structures and curriculum planning than on sharing practice or interventions specifically for students with additional needs.

- **College-to-college collaboration** – we found examples of collaborative working between sixth-form colleges and FE colleges working within the same local area to develop a broader curriculum and pool resources within a formal trust. We also found examples of schools and colleges working together. In one example, local schools saw the local FE college providing an offer of 16-19 study that was complementary to their sixth form offers. In another example, a local sixth-form college was working as part of a formal trust with local secondary schools to improve standards at key stage 4. Again, however, this focused more on institutional structures and the offer of study programmes than on sharing practice related to support for students with additional needs.

- **Strategic partnerships** – just over half of the institutions we visited, particularly FE colleges and smaller institutions whose intake included a large proportion of students with additional needs, were involved in local strategic partnerships.

These partnerships focused on collaborative working with 16-19 institutions and local agencies to track and engage young people who were NEET or at risk of becoming so.

- **Other forms of collaborative working** – we found that other 16-19 institutions, such as land-based colleges and commercial / charitable providers, were often involved in a wider range of collaborative activities. Often, this was related to the specific nature of the study programmes that they offered and routes into employment in related fields. These institutions described the way in which they worked with local agencies and employers, as well as with a range of 16-19 education providers, at a strategic level and to find mentoring, study support and work experience opportunities for their students.

Institutional collaboration to drive improvement

Shrewsbury College has recently started a consultation with a view to forming a federation with two local sixth-form colleges. The aim is to ensure that, by working together, the federation can share expertise and resources in order to continue to offer a broad range of academic and vocational study programmes for young people locally. Colleagues across the federation are exploring not only how to plan the curriculum, deploy staff expertise, and use resources effectively, but also how best to deliver support to students, including options for integrating provision, across the federation.

Ashton Sixth Form College formed the A+ Trust with five secondary schools and one special school from across Tameside in October 2013. The aim of the trust is to work collaboratively to raise achievement and aspiration for young people locally, and provide pathways through secondary and 16-19 education that lead to greater opportunities in the local community. This is done through focused institution-to-institution work, including peer reviews, leadership development and targeted support, to improve teaching, learning and support for students. There is a specific focus on identifying what works in supporting students from disadvantaged backgrounds and raising aspirations.

Nevertheless, we did not find many specific examples of institution-to-institution collaboration focusing specifically on support for students with additional needs. Where collaborative working was taking place, it tended to take one or two broad forms.

a. **Regional and national peer networks** – members of staff with responsibility for student support, for example ALS managers or directors of student support, who we met described how they were part of regional and national networks of their peers. This was particularly the case for FE and sixth-form colleges and institutions that were likely to be the only one of their kind in a local area, such as land-based colleges. They described the vital role these networks played in

ensuring their institutions were connected to developments in national policy and had opportunities to discuss practice and ideas with their peers. They noted, however, that the recent focus of these network meetings had been on adapting to the new high-needs funding arrangements, rather than on support for students with additional needs, and that the use of resources to support students with additional needs was rarely, if ever, discussed.

b. **Instances where an individual student's needs could not be met wholly by one institution** – we found a small number of cases (no more than a couple) where one institution was working with another 16-19 institution to provide part of a student's study programme. Often, these were instances where a student was enrolled at a smaller institution, such as a school sixth form or a small charitable provider. For example, one school sixth form we visited described how, for some students who were enrolled at a local FE college for their study programme, the school remained as a "base" for them to continue to receive aspects of their pastoral support. The school argued that this continuity of support was important to more vulnerable students who might otherwise find it difficult to make the transition to a larger college. In another example, a social enterprise provider of woodland-based study programmes described how they worked with local schools and colleges so as to be able to offer their more academic students higher-level English and mathematics components of their study programmes. These instances of collaborative working were rare – the exception rather than the rule. All of the instances we came across were done on the basis of exchange, rather than formally commissioned and funded. In the example of Hill Holt Wood, below, access to higher-level English and mathematics teaching was done in exchange for the school's students having access to vocational and work-based learning activities.

Exchanging expertise to meet the needs of all students: Hill Holt Wood

Hill Holt Wood is a woodland-based social enterprise in Lincolnshire. It provides a range of woodland-related 16-19 study programmes. Where Hill Holt Wood's staff think students would benefit from it, Hill Holt Wood works with other schools and colleges to provide aspects of a student's study programme. In particular, Hill Holt Wood may work with a local school to provide an academic aspect of its study programme, or higher-level English and mathematics teaching. This is done on an exchange basis, with Hill Holt Wood offering school students opportunities to take part in vocational activities on Hill Holt Wood's site and providing capacity-building training for the school's staff.

Overall, many institutions argued that, within their local area, they were competing to attract students and that this meant they were not likely to be involved in sharing aspects of pedagogical practice or support for students with additional needs. The nature of competition and collaborative working locally did depend, however, on the make-up of

post-16 provision in the local area and whether institutions saw their respective offers as directly competitive or complementary. Institutions that were offering academic and more mainstream vocational programmes, particularly school sixth forms and sixth-form colleges, were more likely to see themselves in competition with other local institutions than those that were offering more niche vocational study programmes.

Conclusions and implications

During this research, we have had the opportunity to work within a sector of our education system that is undergoing significant transformation. Over the past five years, the 16-19 education sector has been adapting to large-scale reforms relating to the sector, stemming from Professor Wolf's report (Wolf, 2011). These have included the introduction of study programmes, new accountability measures, a new approach to 16-19 formula funding and the introduction of the discretionary bursary scheme. A crucial development has been the introduction of a requirement that students who have not achieved a C grade in English and/or mathematics at GCSE must study these subjects as part of their study programmes.

As well as changes specific to the 16-19 sector, 16-19 institutions have also been adapting to broader shifts in the education system in England. The past five years have seen a decisive shift to greater autonomy for education institutions, and the encouragement to autonomous institutions to create new provision to meet the needs of the communities in which they work. As a result, academies have opened new sixth forms, while new free schools, studio schools and university technical colleges have also expanded the range of post-16 study on offer to students. These have also increased the supply of post-16 places in some areas, which has presented challenges to institutions as they seek to recruit sufficient students to sustain their programmes and, indeed, their institutions.

The reforms of SEN and disability have changed 16-19 institutions' legal responsibilities in relation to students with SEN and disability, while the reforms of high-needs funding have changed the way in which 16-19 institutions are commissioned and funded to meet the needs of these students.

The changes have been taking place in a challenging financial climate. The 16-19 education budget has not been protected in the same way as the pre-16 funding for schools. Pressures on budgets are forcing institutions to think carefully about how they position themselves in relation to other local 16-19 provision and how they offer programmes on which students want to enrol.

Against this backdrop, our research has focused on how institutions use their resources to support students with additional needs and how this support is changing in response to some of the wider shifts that are taking place in the 16-19 education sector.

In chapter 2, we described how the institutions we visited were spending their resources on similar types of support, in terms of direct support for current students with additional needs, other facilities from which they would benefit, and engagement of prospective students. Likewise, in chapter 3, we described how institutions were taking broadly similar approaches to how they arranged their discretionary bursary schemes and how this was allocated to students.

In both chapters, we also described some of the differences in the way institutions delivered these forms of additional need. Some of these differences reflected strategic decisions taken by institutions in relation to their local context. We found, for example, that the forms of additional support that an institution needs to fund will be very different for a school sixth form, located in a rural area, which is the only 16-19 institution in the vicinity compared with another school sixth form in a metropolitan area surrounded by a range of other 16-19 institutions. The additional support they need to fund will be different again for a large FE college in a deprived urban area.

We also found, however, that different types of 16-19 institutions were facing different pressures that were affecting what they spent their additional support resources on. Specifically, the evidence we gathered suggests that, among the 20 institutions we visited, there were differences in terms of the range and concentration of needs in FE colleges, commercial/charitable providers and land-based colleges and, to some extent, sixth-form colleges compared with school sixth forms. The evidence we presented in chapter 5 also suggests that colleges and other non-school providers are seeing the proportion of their students with additional needs, and specifically those who do not have a C in English and mathematics, growing, while the proportion is diminishing in school sixth forms. We must add that, while this trend was discernible overall across the institutions we engaged, it was not uniform among those 20 institutions. For this reason, we must be cautious about drawing conclusions about the wider 16-19 education sector.

Among the institutions that we engaged, these shifts were presenting a number of challenges. Two thirds of the school sixth forms we visited had seen their numbers drop. They described how they had either traditionally offered predominantly academic study programmes in their sixth form, or had moved in this direction in response to the introduction of the condition-of-funding relating to studying English and mathematics. As a result, the school sixth forms we engaged appeared to be facing a challenge of recruiting sufficient numbers of students for their sixth forms to remain viable from a pool of students who wanted to study academic subjects in the face of greater competition among similar institutions.

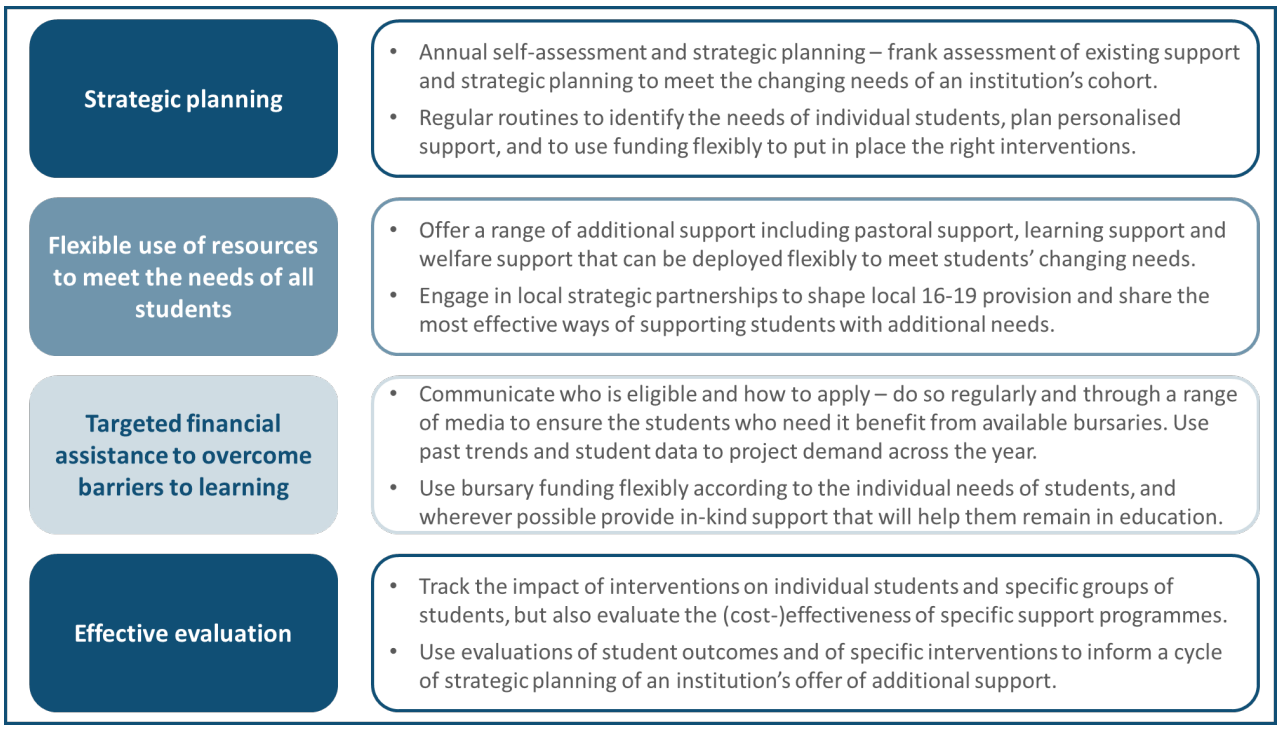
The sixth-form colleges we engaged were seeking to respond to these challenges of recruiting students and sustaining their study programmes by offering a broader range of study programmes. This had effectively widened the pool of potential students from which the sixth-form colleges were recruiting, but also widened the range of additional needs for which they needed to develop support.

FE colleges and other providers reported that they were seeing that a growing proportion of their cohorts were students who required additional support, particularly students who did not yet have a C in English and/or mathematics at GCSE. The implications of this were that FE colleges were re-thinking how they continued to offer a range of additional support to a larger group of students, within budgets that were under pressure, and

specifically how they could develop the capacity and expertise to support students who were studying English and/or mathematics as part of their study programmes.

As well as the challenges, we also found numerous examples of good practice among the institutions that we visited. We have highlighted these in the short case studies that are placed throughout this report. We have sought to summarise some of these effective practices in the figure below.

Figure 6: How the most effective 16-19 institutions plan, use their resources, and evaluate the effectiveness of their support for students with additional needs



We doubt any of the points included in the figure above are ones that 16-19 institutions would not recognise and agree with. Many of the institutions that we visited were doing some of these things. The issue was that comparatively few were doing all of them. In terms of ensuring that there is effective support for students with additional needs in the 16-19 education sector, the challenge is how these principles and practices can become commonplace.

Doing so will require careful balancing to foster institutional autonomy and specialisation, but also to ensure high-quality and much-needed institutions and study programmes do not become unviable for reasons unrelated to the quality of the provision they are offering. This will be vital in order to maintain meaningful choices about post-16 study for all students, but particularly for those with additional needs.

We recognise that this research has been informed by in-depth work with a small sample of 16-19 institutions. As such, it would be unwise to make broad recommendations relating to national policy or local practice. Our research has, however, highlighted some trends in the way in which students with additional needs are supported in the 16-19

education sector that we think are worthy of further consideration. For this reason, we conclude this report by setting out some of the specific implications of our research that 16-19 institutions and national policy-makers may wish to consider further.

Implications for 16-19 institutions

Institutions may wish to consider opportunities to share expertise in supporting students with additional needs and develop joint support across multiple institutions.

The institutions we visited all contained a broad range of experience and skills in supporting students with additional needs. These were, institutions acknowledged, rarely shared with colleagues in other institutions. At the same time, we came across examples of institutions working together because, on their own, neither could fully meet the needs of some of their students. This was often done on an informal or exchange basis, rather than being formally commissioned. If, as we have suggested, differences between 16-19 institutions in the concentration and range of additional needs among their students are becoming more pronounced, it will be all the more important that expertise is not confined to pockets of the sector, but spread right across it. The move in some instances towards formal collaborative trusts between institutions is a positive one, and offers opportunities to consider how support for students with additional needs could be planned and deployed across several institutions.

Given what institutions have told us about the need for more counselling, mental health and pastoral support, and transport support, as well as the need to recruit specialist teaching staff, we think that there is scope to build on these examples of collaborative working and explore opportunities to plan and develop additional support provision jointly. If this is something that policy-makers wish to encourage, then there may be scope for further work to clarify how practical matters such as funding could be arranged to support collaborative approaches to additional support.

We would encourage institutions to consider how best to identify and evidence the interventions and forms of additional support that make the greatest impact for students with additional needs.

Many institutions that we visited described proudly the offer of support that they had developed to meet the needs of their students. They explained how this was planned strategically at an institutional level, and personalised to a student's individual needs. All institutions also described how they routinely tracked the overall impact on students' progress. Almost all acknowledged, however, that they would find it difficult to identify

what made the difference. There are difficulties in doing so, and indeed institutions argued that the combination of multiple forms of support was often crucial for students.

Nevertheless, institutions also recognised that there was scope to do more evaluation of specific aspects of their offer of additional support in order to identify which interventions make the biggest impact for which students. As institutions continue to see growing demand for support and their budgets under pressure, we think that it is increasingly important that institutions have information about the forms of additional support that are the most (cost-)effective.

Where such processes are not already in place, we would encourage institutions to take steps to ensure the discretionary bursary is being used to overcome barriers to students' participation in education and maximise its impact.

As we described in chapter 3, almost all institutions arranged their discretionary bursary in such a way as to ensure that funding was used to overcome barriers to students' participation, but also to give them some flexibility to use the bursary to meet their needs. There was, however, a very small minority of institutions that did not appear to have processes in place to ensure the bursary was spent on addressing barriers that would otherwise prevent students from continuing in education. Much good work appears to have been done, both at institutional and national level, to ensure the bursary is used effectively and is informed by examples of good practice. Nevertheless, our research suggests that there could be a small proportion of 16-19 institutions where further work is needed to ensure the discretionary bursary is used effectively to overcome barriers to students' participation in engagement.

Implications for national policy-makers

National policy-makers may wish to consider how to encourage local provision to be planned and shaped so as to provide effective choices and support for students with additional needs.

In chapters 2 and 5, we have described some of the ways in which study programmes, forms of additional support, and the distribution of students with additional needs appears to be shifting between different types of 16-19 institutions. We have also described how institutions saw risks that they would no longer be able to offer some study programmes and forms of support, not because they were no longer needed or were not effective, but because they would not be viable for standalone institutions to offer. In chapter 5, we have described the implications this may have for particular groups of students with additional needs, including those with mental health needs and high-achieving students with more complex support needs.

In the section on implications for institutions, we have suggested that there is scope for institutions to consider how to develop joint provision and support in order to ensure students with additional needs have the right support and the same choices about post-16 study as their peers. If national policy-makers agree that this is worth exploring, we think there would be scope for considering how such forms of collaboration could work in practice, how it could be encouraged, and how funding could support such initiatives. We think that the new area reviews, announced by the DfE and Department for Business, Innovation and Skills (BIS), will offer opportunities to engage 16-19 institutions and other stakeholders in these strategic planning discussions.

Based on our research, we would not encourage national policy-makers to reintroduce ring-fenced funding for additional needs. We would, however, encourage national policy-makers to consider whether there are other ways they might wish to encourage inclusive leadership and integrated models of additional support in 16-19 institutions.

As we have described in chapter 4, the majority (three quarters) of the institutions we engaged were not in favour of a return to a ring-fenced funding stream for students with additional needs. They argued that the current formula funding mechanism for additional needs was an effective way of giving institutions the autonomy and flexibility to use their formula funding to meet the needs of all students, including those with additional needs. As described in chapter 1, institutions, particularly FE colleges, had used this flexibility to develop more integrated models of additional support, embedding this within the delivery of study programmes rather than being seen as something separate.

The remaining quarter of institutions argued in favour of a ring-fence because they considered that flexible funding, without strong leadership and an inclusive ethos, was not sufficient to ensure institutions used their resources effectively to support students with additional needs. All institutions, however, agreed on the importance of signalling to institutions their responsibilities for meeting the needs of students with additional needs, and that vital to doing so was fostering the right ethos and leadership of this agenda in 16-19 institutions. As such, while we would not encourage the reintroduction of ring-fenced funding, we think national policy-makers may wish to consider whether there are alternative ways of encourage the forms of inclusive leadership and integrated additional support we have seen through our research.

Our research suggests that 16-19 institutions feel that they are having to use their resources to compensate for a lack of local provision. National policy-makers may wish to consider how national policy agendas and local planning and practice can be better aligned to facilitate young people's access to post-16 study.

The institutions we engaged perceived that there was growing demand for local services such as mental health services and transport, while at the same time the capacity of those services was diminishing. For example, our research has suggested that half of the institutions that supplied us with data reported spending some of their formula funding on transport costs, over and above what they funded from the discretionary bursary fund. The figures reported to us suggested institutions were spending between 7% and 16% of their additional needs formula funding on transport for students with additional needs. These were either large colleges in deprived areas or institutions serving rural areas. This suggests that transport can be a significant barrier to students with additional needs accessing post-16 education.

The institutions we visited considered that it was important that national policy and local services reflected not only these growing demands, but also changes in 16-19 education policy. In particular, institutions highlighted the raising of the participation age and the consequent need for local services to facilitate young people's access to post-16 study. They argued that the need for support with things like transport and mental health would only increase with these developments. If these trends are seen more broadly across the 16-19 education sector, we would encourage national policy-makers to consider how national policy agendas and local planning of services can be aligned to minimise the need for institutions to use their education resources to compensate for a lack of local services.

We would encourage the DfE and EFA to consider how to ensure that all institutions are using the discretionary bursary effectively to overcome barriers to students' participation in education.

This is linked to the corresponding point we have made above in the section on implications for 16-19 institutions and the evidence we presented in chapter 3. We know the EFA's guidance on the discretionary bursary is clear about the purposes for which the discretionary bursary can be used. The guidance also makes the point explicitly that institutions can insist that the discretionary bursary is used for particular forms of support that have been identified as necessary for a student to remain in education. The evidence we have gathered suggests that almost all institutions are doing this, but a small number are not. As such, we think that it is important for national policy-makers to continue to reiterate key messages about the purpose of the discretionary bursary and the appropriate balance between giving students flexibility over how it is spent and ensuring that this public money is spent for the purposes for which it was intended.

Glossary

ALS – additional learning support

BIS – Department for Business, Innovation and Skills

CIAG – careers information, advice and guidance

DfE – Department for Education

EFA – Education Funding Agency

EMA – education maintenance allowance

FE – further education (the term FE college is used throughout this report)

GCSE – general certificate of secondary education

NEET – not in education, employment or training

SBSS – student bursary support service

SEN – special educational needs

SEND – special educational needs and/or disability

Bibliography

Bryer, N. 2013, *Evaluation of the Financial Contingency Fund* (Social Research Number: 30/2013), Cardiff: Welsh Government, available at: http://gov.wales/docs/caecd/research/130712-evaluation-financial-contingency-fund-en.pdf [12 May, 2015]

Callanan, M., Drever, E., Fry, A., Lewis, G., Lloyd, C. and Wollny, I. 2014, *The 16 to 19 Bursary Fund: Year 2 Process Evaluation,* London: DfE, DfE-RR345, available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/307118/RR345_-_The_16_to_19_Bursary_Process_Evaluation.pdf [12 May, 2015]

Connelly, G., Duncalf, Z., Furnival, J., Seagraves, L. and Soden, R. 2011, *Supporting Care Leavers in Scottish Further Education Colleges: a Research Account of a Pilot Programme Aimed at Supporting Looked After Young People and Care Leavers in Further Education Colleges in Scotland. Final Report*, Glasgow: University of Strathclyde, available at: https://pure.strath.ac.uk/portal/files/27840236/SFC_Care_Leavers_in_Further_Education_Final_Report.pdf [12 May, 2015]

European Commission, Education, Audiovisual and Culture Executive Agency, and Eurydice, 2013, *Financing Schools in Europe: Mechanisms, Methods and Criteria in Public Funding. Eurydice Report*, Luxembourg: Publications Office of the European Union, available at: http://eacea.ec.europa.eu/education/eurydice/documents/thematic_reports/170EN.pdf [12 May, 2015]

Henry, G.T., Fortner, C.K. and Thompson, C.L. 2010, 'Targeted funding for educationally disadvantaged students: a regression discontinuity estimate of the impact on high school student achievement', *Educational Evaluation and Policy Analysis*, 32, 2, pp.183–204

Lloyd, C., Wollny, I., Callanan, M., Fry, A., and Haywood, S. 2015, *The 16 to 19 bursary fund: year 3 process evaluation*, London: DfE, DfE-RR424, available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446295/RR424_Bursary_Fund_Year_3_Process_Evaluation_02.06.15.pdf

OECD, 2012, *Equity and Quality in Education: Supporting Disadvantaged Students and Schools*, Paris: OECD Publishing, available at: http://www.oecd.org/edu/school/50293148.pdf [12 May, 2015]

Ofsted and Association of Colleges, 2014, *Supporting Young People to Participate in Education and Training*, Manchester: Ofsted, available at: https://www.gov.uk/government/publications/supporting-young-people-to-participate-in-education-and-training [12 May, 2015]

Parish, N. and Bryant, B. 2015, *Research on funding for young people with special educational needs*, London: DfE, DfE-RR470, available at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/445519/DFE-RR470_-_Funding_for_young_people_with_special_educational_needs.pdf

Rorris, A., Weldon. P., Beavis, A., McKenzie, P., Bramich, M. and Deery, A. 2011, *Assessment of Current Process for Targeting of Schools Funding to Disadvantaged Students: a Report Prepared for the Review of Funding for Schooling Panel*, Camberwell, Victoria: ACER, available at: http://research.acer.edu.au/policy_analysis_misc/10/ [12 May, 2015]

Scott, G.A. 2011, *Disadvantaged Students: School Districts Have Used Title I Funds Primarily to Support Instruction. Report to Congressional Committees,* GAO-11-595, Washington, DC: US Government Accountability Office, available at: http://eric.ed.gov/?id=ED521786 [12 May, 2015]

Weinstein, M.G., Stiefel, L., Schwartz, M.G. and Chalico, L. 2009, *Does Title I Increase Spending and Improve Performance? Evidence from New York City,* IESP Working Paper 09/09, New York, NY: Institute for Education and Social Policy, available at: http://steinhardt.nyu.edu/scmsAdmin/uploads/003/949/WP%20%2309-09.pdf [12 May, 2015]

Wolf, A. 2011, *Review of vocational education – The Wolf Report*, available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/180504/DFE-00031-2011.pdf

Annex A: Profiles of seven hypothetical young people

As part of our research into how 16-19 institutions use their funding to support young people with additional needs, we developed profiles of seven hypothetical young people. We shared these with the 16-19 institutions that we visited, and asked them to describe to us whether and how they would meet these young people's needs. The evidence we gathered from the profiles is set out in chapter 2.

The profiles were not selected to be representative of all types of young people's additional needs. Instead, we designed the profiles to focus on specific needs and aspects of support in which we were particularly interested so as to be able to compare responses from different institutions. All of the profiles were designed to depict students aged between 16 and 19, and who required additional support but would not meet the threshold for high needs. We provided a high-level description of their needs, and included in each profile information about whether the young person had a C grade in English and/or mathematics at GCSE, given that this is a condition-of-funding.

Profile 1. Pallavi: student with mental health needs – eating disorder, anxiety, some history of self-harming

Pallavi is a student with high aspirations and high ambitions for her time after GCSEs. She achieved five GCSEs at grade C or above, including English and maths, but did not do as well as she and her teachers had expected. In the past, her attendance has fluctuated and there have been periods of non-attendance. Her previous school reported that she had experienced some bullying in the past.

- Pallavi needs a lot of individual attention in order to motivate her to participate.
- She is capable of producing excellent work and achieving to a high level. Sometimes, however, she misses entire pieces of work altogether.
- Pallavi's attendance is unpredictable – periods of good engagement and then complete non-engagement for no apparent reason. Staff have noticed that instances of non-attendance are increasing in frequency and duration. When she has attended recently, she has often reported feeling tired, and is finding it hard to concentrate in class.
- She does not have a large friendship group – staff report that she seems to have one main friend with whom she spends her time. Staff have spoken to Pallavi's friend. They reported that the friend seemed worried about Pallavi, but would not describe their concerns in detail.
- With one member of staff Pallavi knows well and trusts, she has admitted being anxious about coming into your institution and that she is worried about how her GCSEs will affect her future opportunities.
- Recently, a member of staff reported suspicions that Pallavi may be self-harming.

- Staff have also reported some changing patterns in her behaviour, particularly in relation to her appearance and eating habits. She has changed her style of clothing since she joined your institution – she now seems to wear predominantly dark and baggy clothes that seem too big for her. Staff have reported her eating large amounts of food in local cafés, while at other times they have commented on a noticeable loss of weight.

Profile 2. Jasper: Sensory impairment, has difficulty walking and has some learning difficulties

Jasper is a bright and sociable young person. He has enjoyed school. Throughout his time at school, he often had support from a learning support assistant. Jasper achieved GCSEs in three subjects at grade D or below. He did not achieve a grade C in English or maths. He is very keen to support himself and live independently in the future, although he is not sure what career path he would like to pursue. He has said to his teachers at his old school that he was looking forward to post-16 study, but was concerned about what support he would have in a post-16 environment.

- Jasper has Cochlear implants. His school reported that these need regular monitoring.
- He is able to walk on his own without assistance, but often finds it difficult to manage stairs and crowded areas. At his previous school, there were rails so Jasper could move around independently.
- Jasper needs termly support from an occupational therapist and physiotherapist.
- He requires some support with his writing skills. Jasper is capable of recording on his own when he has the right ICT equipment available to him, otherwise he requires assistance to record his work.
- At school, Jasper's teachers reported that he sometimes needed some support to organise himself, for example keeping on track with his course-work and other longer assignments.
- Jasper is passionate and knowledgeable about sport.
- He is very popular among his peers.

Profile 3. Romesh: low prior attainment (does not yet have a C in English and maths at GCSE)

Romesh has recently moved to the local area. He is a quiet young man. In class, he does not volunteer to answer questions. He needs direct encouragement to take part and contribute to class discussions. He is not very outgoing and does not seem

comfortable socialising with his peers, but he does appear to be making friends. He did not achieve a C grade in English or maths GCSE, but knows he needs to achieve these.

- Staff have described Romesh as 'someone who prefers to blend in rather than stand out'. He is quiet and sometimes appears shy. He often seems to find it difficult to express himself in class.
- He will not say if he has not understood something unless asked directly by staff.
- He seems to have difficulty retaining information, particularly on subjects in which he does not seem particularly interested.
- Romesh's previous school reported that he was lacking confidence and had low self-esteem. These do not appear to have improved since he came to your institution.
- In Year 11, the school were concerned with Romesh's progress and began monitoring these closely. They put in place some additional support to help him with his GCSEs in English and maths. Nevertheless, he did not do as well as had previously been expected.
- He appears to have reached a plateau with regard to his reading: he has the reading age of a 10-year-old.
- Staff report that Romesh requires additional support to apply self-help skills in his learning.

Profile 4. Tom: history of behaviour issues and exclusion but now determined to "get back on track"

Tom is a popular student who is well-known to staff. During his time in secondary school, he had some issues with his behaviour and was excluded on several occasions. On more than one occasion, he spent some time in a pupil referral unit (PRU). On the last occasion, during Year 11, Tom was permanently excluded. He completed key stage 4 in the PRU.

- Tom's previous school reported that he had the ability to achieve good grades at GCSE and beyond – they said that the challenge for Tom was controlling his behaviour, rather than his academic abilities.
- Staff in the PRU agreed: Tom was liked by many of the staff in the PRU, and achieved some good grades. He achieved a grade C in maths, and also showed a strong interest in science. He does not yet have a C or better in English, however.
- Staff at the PRU reported that Tom has 'turned a corner'. He has talked about 'getting back on track' with his learning, although he acknowledges he has some

catching up to do.

- At school and in the PRU, he had a regular pattern of learning, and received support in class and in organising himself. Staff have reported that, in a post-16 institution, he may find it hard to organise himself.
- He lives a long way from his post-16 institution. When he was at the PRU, he was transported from and to his home. He acknowledges that it will be more of a challenge to organise his own transport and get to and from his post-16 institution on time.
- Staff in your institution have reported that Tom has great enthusiasm for his studies, but can become frustrated when he does not know how to work on a particular task on his own or with peers.
- Tom is interested in engineering, mechanics and carpentry. He has spoken of his interest of pursuing a career in these fields, and wants to work towards a set of level 3 qualifications.

Profile 5. Jasmine: Very strong academically, but is facing barriers in order to access education

Jasmine is very strong academically. She was progressing at school until her GCSEs, when her progress stalled. Her school reported that she has been caring for her mother, who has a mental illness that manifests itself sporadically. Social services have been monitoring and providing support to Jasmine's family for the last 12 months.

- Jasmine lives in a deprived area locally. She lives with her mother. Neither of her parents work.
- Jasmine has caring responsibilities for her mother. During the day, her mother is supported by social services. Often, Jasmine also looks after her younger sister, who is at secondary school.
- Jasmine was expected to do very well in her GCSEs, but in the end she did not do as well as expected. She did not get the grades for which she was hoping, and wants to repeat some of her GCSEs as well as studying for A level qualifications. She did achieve a C grade in both English and maths.
- She lives in a deprived area and her parents don't work so there are financial issues. She is keen to make up her GCSEs and has been assessed as being able to do level 3 qualifications.
- She has a good friendship group who are very supportive. Most of the time, she appears happy. Nevertheless, her school reported that there had been occasional periods of absence, and that Jasmine was often reluctant to talk about the reasons why she had been absent.
- With her caring responsibilities, she often finds it hard to find time at home to study quietly.

- She visited your institution for an open day and was enthusiastic about joining.

Profile 6. Sienna: disengaged from education, currently not in education, employment or training (NEET) and a young parent

Sienna is a young woman who is currently not in education, employment or training (NEET). She has a two-year-old daughter. She did well at secondary school until she reached GCSEs, where behaviour issues meant she had periods of absence and eventually led to her being educated off-site in alternative provision. Sienna was not engaged in education for almost two years – this was when she became a parent.

- Sienna has been tracked by the local authority NEET team and has been put in touch with your institution. She wants to start mid-way through the academic year.
- Sienna does not have any GCSEs, but is now keen to study for them. She sees education as her way of getting a good job and being able to support her daughter. She would like to get her GCSE maths and English and progress to level 3 qualifications as quickly as she can.
- Sienna's parents are discouraging her from continuing in education. They want her to concentrate on caring for her daughter, and think that studying will be too much for her.
- She is a doting young parent and finds it difficult to leave her daughter. She has had parenting support from social services, but is not under any intervention from them.
- She finds it difficult to find the time and space to study independently.

Profile 7. Kiaan: recent care-leaver, has had some engagement and attendance issues in the past

Kiaan is bright and has high aspirations, but has faced many difficulties in his life so far. He was previously looked after, and has just started living on his own following the breakdown of his foster care arrangements. He is independent and a self-starter, and values his education, but knows his circumstances present barriers to his success. He would like to study at your institution.

- Kiaan is currently living in a bedsit – he is waiting for a council flat to become available.
- Kiaan's current accommodation is a long way away from your institution. He is keen to study at your institution, but is worried that there is a lack of public

transport between his bedsit and the institution.

- During key stage 4, Kiaan's foster placements broke down four times. He has decided that he is better off on his own.
- Kiaan achieved five GCSEs at grades A*-C, including in English. He achieved a D in maths.
- He had a plan for his post-16 education in place, but the breakdown of his last foster placement and having to move home has meant he has had to change his plans.
- He is currently being supported by social services. Regular team-around-the-child discussions are taking place. Social services professionals are worried about him dropping out of education altogether. They are wary of the influence of his friends, some of whom have dropped out of education and are currently NEET.
- Although he values his education and has already demonstrated great resilience, he had had periods of absence from school in the past, connected with issues with his foster placements. He is very angry about what he has experienced, and has been known to express his frustration towards social workers and others he sees as being in positions of authority.

Annex B: Funding template

Section 1: Current allocation of funding for students aged 16-19 with additional needs

Form of funding	AY 2013/14 Allocation volume	AY 2013/14 Allocated funding	AY2014/15 Allocation volume	AY2014/15 Allocated funding
16-19 programme funding		£ -		£ -
Total disadvantage funding (within programme funding)		£ -		£ -
Deprivation funding		£ -		£ -
Prior attainment funding (instances: only M, only E, both M&E)		£ -		£ -
Total student financial support funding		£ -		£ -
Discretionary bursary funding		£ -		£ -
Free meals funding		£ -		£ -
Do you draw on any additonal funding to supplement the funding allocated for students with additional needs? If so, please say how much.		£ -		£ -
Do you use any of your funding allocated for students with additional needs to support other students in your institution? If so, please say how much.		£ -		£ -
Do you use your funding allocated for students with additional needs to contribute to the costs of overheads in your institution? If so, please say how much.		£ -		£ -
Total additional needs funding for students aged 16-19		£ -		£ -

Section 2: Characteristics of 16-19 students at your institution

Student characteristic	Total for AY2013/14	Total for AY2014/15
Total 16-19 students at the institution	0	0
Total 16-19 with additional needs	0	0
Total 16-19 students eligible for free school meals	0	0
Total 16-19 students with low-level SEN (i.e. those who do not have a statement / learning difficulty assessment / education, health and care plan)	0	0
Total 16-19 students who are looked after or are care leavers	0	0
Total 16-19 students who have low prior attainment (i.e. do not have a C at GCSE) - **in maths only**	0	0
Total 16-19 students who have low prior attainment (i.e. do not have a C at GCSE) - **in English only**	0	0
Total 16-19 students who have low prior attainment (i.e. do not have a C at GCSE) - **in both maths and English**	0	0
Any other groups of students with additional needs - please give details	0	0
Any other groups of students with additional needs - please give details	0	0

Section 3: Spending on students aged 16-19 with additional needs

Area of spend	AY2013/14 amount	AY2014/15 amount
Part 1: Direct support for current students aged 16-19		
Additional teaching staff to support students with additional needs	£ -	£ -
Additional staff to support students with additional needs in class	£ -	£ -
Additional staff to support students with additional needs outside class	£ -	£ -
Student support services (please provide details below)	£ -	£ -
Student support service	£ -	£ -
Student support service	£ -	£ -
Student support service	£ -	£ -
Free meals for students with additional needs	£ -	£ -
Spend on discretionary bursary awards for students	£ -	£ -
Transport	£ -	£ -
Specialist ICT equipment and learning resources	£ -	£ -
Other specialist equipment and learning resources (non-ICT)	£ -	£ -
Extra-curricular activities to benefit students with additional needs	£ -	£ -
Other - please specify	£ -	£ -
Other - please specify	£ -	£ -
Total spend on direct support for current students	£ -	£ -

Area of spend	AY2013/14 amount	AY2014/15 amount
Part 2: Other support for students		
Dedicated study spaces (for 1-to-1 tuition, small group work)	£ -	£ -
Other premises to enable students with additional needs to study	£ -	£ -
Any other special facilities for students with additional needs	£ -	£ -
Additional opening hours (e.g. library) to allow students with additional needs to study	£ -	£ -
Training and CPD for staff to enable them to support students with additional needs	£ -	£ -
Other - please specify	£ -	£ -
Other - please specify	£ -	£ -
Total spend on other support for students	£ -	£ -

Area of spend	AY2013/14 amount	AY2014/15 amount
Part 3: Support for prospective students		
Transition-planning with local pre-16 institutions	£ -	£ -
Outreach work to recruit and engage post-16 students	£ -	£ -
Outreach work to re-engage young people who are NEET	£ -	£ -
Other - please specify	£ -	£ -
Other - please specify	£ -	£ -
Total spend on support for prospective students	£ -	£ -

TOTAL SPEND ON SUPPORTING STUDENTS WITH ADDITIONAL NEEDS	£ -	£ -

Annex C: Review of the international evidence on spend by 16-19 institutions on meeting students' additional needs

Summary: Key findings from our review of the international evidence

- The Organisation for Economic Co-operation and Development has highlighted the critical importance of upper secondary completion, particularly for disadvantaged pupils, and that funding mechanisms must take into account the additional costs involved in helping disadvantaged pupils to succeed (OECD, 2012).
- In Europe, although funding allocations to schools are commonly made on the basis of additional needs, only five countries (including the UK) take socio-economic background into account (European Commission et al, 2013).
- In the United States, in the federal and state schemes we have identified, disadvantage funding is primarily used on salaries, other staff benefits and teacher professional development (Henry et al, 2010; Weinstein et al, 2009). In the former study, performance improved for all high school students in schools eligible for disadvantage, but did not close the gap between disadvantaged students and their peers. In the latter, the funding had zero effect on attainment in high schools.
- Australia offers numerous funding streams aimed at various disadvantaged groups with some particular emphasis on upper secondary 'Year 12' completion (Rorris et al, 2011).

We found that there is limited international evidence specifically relating to spending on support for students with additional needs by post-16 / upper secondary institutions. The majority of available international evidence concerns the key features of alternative disadvantage funding models and their effectiveness in meeting their stated aims, and largely covers primary/elementary and 'lower' and 'upper' secondary education in general, rather than focusing exclusively on post-16.

A European Commission report on funding mechanisms highlighted those European countries that provide schools or local authorities with additional resources for students with special educational needs (European Commission et al, 2013). The report found that, in over half of 32 European countries studied, education funding was allocated to schools or intermediate authorities in a way that took into account pupils' additional learning needs. The factors used most commonly to determine funding allocations were pupils' mother tongue and ethnic background. This was used in 17 countries. Six countries used the provision of classes for non-native speakers to determine the authorities or schools that received additional funding, rather than the characteristics of

students themselves. Students' socio-economic background was taken into account less often. The UK was one of five countries (the others were Belgium, France, the Netherlands and Slovakia) that used this factor in their funding system. The report did not comment on why the use of socio-economic factors was less widespread as an indicator of students' additional needs than, say, students' mother tongue or ethnic background.

An international report on supporting disadvantaged pupils from early childhood education and care through to upper secondary level education (OECD, 2012) highlights that, from a public finance perspective, on average, the benefits of investing in upper secondary education are twice as large as their costs (for example in terms of future demands on the welfare state). Whilst the study does not highlight disadvantage funding mechanisms specific to the upper secondary level, it provides some important insights.

- The method by which funding is allocated is important for schools and institutions. Out of the three main models – administrative discretion, incremental costs and funding formula – the latter, using need-based variables that recognise the higher instructional costs for disadvantaged students, is the most conducive to equity.

- Funding for specific programmes is another option, although this can pose an administrative burden on schools and there can be difficulties around coordination, bureaucracy and sustainability.

- At school level, and above a certain expenditure, the *way* that resources are spent is more important than the *amount* spent.

- Additional costs of education such as transport, books and school trips can influence the schools/institutions disadvantaged parents/students chose. Vouchers or other funding mechanisms can alleviate this.

- Several education systems outside the UK – Mexico, Spain and New York – offer financial incentives (assistance or rewards) to poorer students to stay on in education or to improve their results. These have seen some positive results, although the complexity and high cost of such schemes is noted.

- School completion programmes in Ireland, personalised support measures in France, and extended schools in the Netherlands are examples of support measures for children and young people at most risk of underachieving or dropping out at various points in primary or secondary education.

In the US, we identified a study of the operation and impact of Title I, a federal funding mechanism that provides grants to school districts to improve educational programmes in schools with high concentrations of students from low-income families. The largest category of Title I expenditure in the majority of districts across the US is salaries and benefits (Scott, 2011).

The impact of Title I funding on school spending and educational performance in New York City schools is the focus of a 2009 study (Weinstein et al, 2009). This study found that the Title I mechanism increased direct expenditure more in high schools catering for 15- to 18-year-olds than it did in elementary and middle schools. One impact in high schools is that student-teacher ratios improved by just over one student, but the greater number of teachers included many less-experienced individuals and the number of teachers with over five years' experience declined substantially. Regarding performance, the study found that in high schools eligible for the grant, Title I had 'zero effect' on outcomes: while the expenditure did not harm disadvantaged students, neither did it help them. The study concluded that it would be valuable to examine performance effects over time, using longitudinal student data to explore why these results occur.

A state-level disadvantage funding model, the Disadvantaged Student Supplemental Fund piloted in North Carolina, operated on the basis of an index of educational advantage (Henry et al, 2010). The index was based on factors including teacher stability, experienced teachers, children not living in poverty and students meeting state proficiency standards. The study found that there were three categories in which increased expenditure might be 'plausibly linked' to higher performance on the state's end-of-course tests for 15- to 18-year-olds in high schools. These were regular classroom instruction (mainly salaries), professional development and instructional support. Test scores improved for all high school students, not only those who were disadvantaged, so while their outcomes improved, the gap separating them from their more advantaged peers was not narrowed.

In Australia, where there is a federal structure, there are numerous funding streams whose operations can be difficult to compare. One study identified a general movement towards stronger per-student, formula-based funding and funding devolved to schools and institutions (Rorris et al, 2011). Nationally, there is the Low Socio-Economic Status School Communities National Partnership, which combines Australian Commonwealth funding with matched funding by states and territories. At territory or state level, all jurisdictions allocate funding to government (publicly-funded) schools for socio-economic disadvantage, disability and English second language status, provided in the form of additional staffing and/or capitation or grant payments. Several jurisdictions also provide funding for disadvantaged students through targeted programmes for identified groups. There is an emphasis on upper secondary or 'Year 12' completion in several of these funding streams.

Department for Education

© Isos Partnership 2015

Reference: DFE-RR492

ISBN: 978-1-78105-548-9

The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Education.

Any enquiries regarding this publication should be sent to us at:
Robert.cirin@education.gsi.gov.uk or www.education.gov.uk/contactus

This document is available for download at www.gov.uk/government/publications