

***National Assembly for Wales' Finance
Committee:
Inquiry into Specific Grants***

**fforwm supplementary evidence 16 March
2009**

fforwm 

DROS COLEGAU CYMRU • FOR COLLEGES IN WALES

fforwm submission to the National Assembly for Wales' Finance Committee: Inquiry into Specific Grants: supplementary evidence following the oral evidence session 4 March 2009

Introduction

1. fforwm gave oral evidence to the Finance Committee on 4 March 2009.
2. fforwm was invited to submit additional evidence on
 - (i) the amount of staff time spent on monitoring and audit of specific bids
 - (ii) the number of staff involved.
3. This supplementary evidence provides answers to these requests for information and makes an additional point about specific funding for Learners with Disabilities and/or Disabilities.

Staff time and costs of monitoring and audit

4. This figure is difficult to compute and it must be emphasised that the following figures are broad estimates. In some colleges, existing staff take on responsibilities for bidding for specific grants, their monitoring and their audit as part of their overall responsibilities. In others, specific staff are employed to take on these duties. Some colleges have more specific grants than others. And the number of specific grants varies from year to year.
5. Responses were received from eleven colleges whose recurrent funding make up 0.45 of the total received by the 25 FE colleges in 2009/10. Extrapolating from the average figures for the number of staff, staff costs and costs of external audit over the three years to 2008/09 to all 25 FE colleges and FE institutions in Wales, the total estimated staffing involved in the monitoring and audit of funds amounted to an estimated **43fte staff. The total costs, including the costs of external audit, amount to an estimated £1.6m. These figures are probably underestimates and have been compiled to meet a tight deadline. fforwm would be pleased to provide college case studies to illustrate the amount of staffing and the associated costs.**
6. If all specific grants were abolished, then a significant proportion of the money could be invested in developing services for learners.

Additional Point: LLDD supplementary funding

7. On 4 March, the same day that fforwm submitted evidence to the Finance Committee, colleges received their allocations for Learners with Difficulties and/or Disabilities (LLDD) Supplementary Funding. This supplementary grant enables colleges to pay for staff support for students who may need one-to-one care and other help and for technical equipment (**see description of categories of support at end of this paper**).

8. Colleges incur costs for supporting these learners from the start of the academic year as soon as students take up their courses. This funding is essential to support learners who are most in need.

9. In fforwm's written evidence to the Committee, it was pointed out that:

"Funding for learners with learning difficulties and/or disabilities (LLDD) is meant to support additional costs not for funding the underlying learner support arrangements. Colleges have to recruit specialist support staff on a casual basis with no guarantee of employment."

10. Colleges submit bids to DCELLS in support of the costs incurred in providing this support. They then have to wait for DCELLS to agree the bids and release the funding. The assumption is that bids will be fully supported. Some initial funding is allocated in August.

11. In a letter dated 2 March 2009 (received in colleges on 4 March), colleges were dismayed to find that DCELLS was only able to meet 68% of the £6.7m eligible bids.¹ Thus approximately one-third of the costs incurred by colleges to support their most needy students would not be met. LLDD Supplementary Funding is for the academic year 2008/09 and students are now half way through their courses of study. Upfront costs have already been paid by the colleges and agreements for one-to-one learning support have been made for the duration of the academic year. In such circumstances, withdrawing support for the learners after 68% of their needs had been met would mean that many students may be unable to complete their courses and may have to drop out of learning.

12. The letter states that:

"DCELLS recognises that this allocation is lower than in previous years. This is due to significant budget pressures being experienced across the Department. However we have been advised that additional funds may be made available later this financial year. You will be advised of any additional payment once confirmation of funds has been provided to us."

13. The letter also highlights the point made by fforwm that the regulatory requirements are disproportionate. Again, to quote from the letter:

"...you will be requested to certify that the supplementary funding allocation was expended in line with the application and that the new learners have spent the stated hours in programmes which are not discrete to learners with learning difficulties and/or disabilities ... you will be requested to certify that each learner for whom an allocation has been made has an individualised student learning agreement (ISLA) which specifies the support made available ... a detailed breakdown of expenditure will be required ... which shows any rescheduled expenditure."

¹ Letter to principals headed 'LLDD Supplementary Funding 2008/09' from Joan Lockett, Acting Head of FE Learner Support, 2 March 2009.

14. The letter then goes on to state additional audit requirements.

*“... in **addition** to the standard requirement of **both general internal and external audit**, this supplementary funding allocation may be the subject of a **specific audit by DCELLS** officers, including audit visits and requests, on a sample basis, for documentation to verify the support provided through supplementary funding.”*
[emphases added]

15. DCELLS have since informed fforwm that the 68% payment was in fact not the ‘finalised allocations’ as stated in the letter, but rather only ‘an interim’ and that full payment will be made shortly (at a date not specified) and that colleges should continue with their plans on the basis of these verbal assurances, trusting that DCELLS will pay the full amount in the next few weeks. Colleges are now in limbo, not sure what their actual ‘final allocations’ might be for this academic year. Colleges are also cautious about the promise of the top-up of the allocations, wondering if the top-up will be taken from the WAG’s new financial year starting on 1 April 2009, which could result in the LLDD for the next academic year being cut instead. Colleges hope that DCELLS will (a) pay the colleges’ bids in full in the next week and (b) give assurances that no part of the allocations are taken from the WAG’s budget for 2009-10.

16. The example of LLLD supplementary funding shows that colleges have to spend money before they receive allocations, that the funding can be less than what is spent, the audit requirements are not commensurate with risk, and that the amount given may be revised upwards but no guarantee is given. It would be preferable if this funding could be included in colleges’ core budgets – if necessary with a DCELLS conditions of funding letter giving a steer as to how this proportion might be used. Colleges could then best ensure that the needs of LLDD learners were met.

Categories of support from LLDD supplementary funding

LLDD supplementary funding is used for:

- **Human support** (this provides one to one support for learners:
 - a) **Specialist tutor/adviser** such as hearing or visual impairment tutor, IT consultant, speech and language therapist or counsellor;
 - b) **Tutorial** such as lecturer or IT adviser (including technician);
 - c) **Communicator** (for the deaf).
 - d) **Ancillary support** such as general support worker, exam support or reader;
 - e) **Notetaker** such as shorthand notetaker and/or typist for assistance with learner notes; and
 - f) **Assessment:** a contribution towards the cost of one-off, external assessments - where the assessment is in addition to the standard assessment and enrolment procedure.
- **Technical support:** May be used to purchase specialised equipment such as brailers, overlays, Reading Edge equipment, IT adaptations, specialist software and related licences and IT hardware, hearing loops, and conference folders.