



The voice of specialist further education

Capital funding for specialist colleges

Specialist Colleges (categorised as special post-16 institutions (SPIs) by the Department for Education) are entirely state funded, but unlike schools and other further education colleges, have no access to specific capital grant funding for significant projects to maintain or improve their facilities. SPIs have invested heavily in their estates and buildings from other sources, providing much needed settings for over 6,000 of the most vulnerable young people with complex needs and disabilities.

We ask that government recognises the importance of this provision by firstly providing a specific fund to support specialist FE settings and secondly ensuring that these SPIs are eligible for future FE funding rounds.

Introduction: the policy gap

There are over 100 SPIs in receipt of ESFA funding, all of them working with students with the most complex needs. The pandemic has disproportionately affected the education of these students, and they deserve the same access to upgraded facilities as their non-disabled peers.

SPIs are not in scope for both the transformation funds recently announced: the £1.5bn [FE Capital Transformation Fund](#) and over £1bn for the [School transformation fund](#). They are also unable to bid for the [post 16 capacity fund](#).

Although SPIs were eligible to benefit from the £365m in total that was made available via the Special Provision Capital Fund between 2018-2021, this was distributed via local authorities, who prioritised schools rather than FE. We are not aware of any specialist colleges who gained access to this fund.

The government recently announced an additional £2.6bn for the provision of specialist placements, but previous SEND capital funding [has resulted in less than 1% being shared between early years and FE¹](#), so we do not anticipate that specialist colleges will benefit from this new funding.

There have been **no** capital programmes for specialist colleges since the 'ISP £15m 2013-2015 Building Improvement Fund', and at that time only a handful of colleges benefited from this very small fund.

SPIs, like schools, do receive both annual devolved formula capital (DFC) and school condition allocations (SCA) to contribute to the improvement of building condition. However, this is a small sum – an average of £20,000 per year per college, which is not enough to fund significant and much needed capital improvement works or new builds. Also, unlike schools, SPIs are not able to top this funding up via bids to the school condition improvement fund.

There is therefore a major gap in policy which needs to be filled: specialist colleges, despite being 100% publicly funded as further education providers, are excluded from FE programmes, and then excluded again from SEND funding programmes which prioritise schools. The need for upgraded facilities for these settings is now acute.

¹ Special Needs Jungle research



The voice of specialist further education

The need for funding

A survey of Natspec colleges in 2021 identified that:

- Over half (53%) of college buildings are in need of repair, either urgently (18%) or within the next two years (35%).
- Only 4% of college buildings do not need repair within 10 years

Colleges reported serious issues to ageing buildings, with many struggling to find the funding to address single glazed windows, old boilers, leaks to roofing and gutters, and poor configuration of teaching spaces.

All the colleges that responded to the survey reported that the funding received from the School Conditions Allowance and the Devolved Capital Formula was not enough to cover maintenance of ageing or modular buildings, mechanical and electrical upkeep, asbestos removal, heating systems and fire safety measures.

This means that colleges have had to raise money from donations, private fundraising and reserves. Colleges have invested over £15m in 29 projects funded since 2012, with one college raising over £2m.

Projects required

With some investment, specialist colleges could create the high-quality learning facilities that the government wants every young person to access. Projects planned by colleges include the development of specialist resources such as hydrotherapy pools, new teaching spaces, music and media centres, and outdoor adventure equipment. Many colleges would like to develop their vocational offer with the addition of new kitchens, cafes, catering facilities, car maintenance garages, or horticulture buildings.

Recommendations

Natspec calls for £100m be set aside for a new capital improvement fund dedicated to ESFA funded SPIs. There should be a maximum bid threshold of £5m per project together with other conditions of funding. These conditions should be based on demonstrable need, the age and condition of existing buildings and the potential for improving outcomes for the young people who will benefit.

Following the initial funding round, SPIs should be added to the list of eligible institutions for future funding rounds, including the £2.8bn announced for FE in the Autumn 2021 budget, so that FE students with SEND are given the same opportunity as their mainstream peers to be educated in high quality buildings.