



**Lord Agnew Kt DL**

Parliamentary Under-Secretary of State for the School System  
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The Rt Hon. the Lord Blunkett  
House of Lords  
London  
SW1A 0PW

*Dear David,*

*Z&K* October 2019

Thank you for your ongoing commitment to the the Royal National College for the Blind (RNC) about which you are seeking a clarification on the current funding policy.

As an alumni of RNC and Associate Governor you will be aware of their status as a registered charity and company limited by guarantee known as a Special Post-16 Institution by the Education and Skills Funding Agency. RNC currently has 73 high needs students aged 16-24, placed and funded by 50 Local Authorities nationally against a target set by the College of 75 for the current year. Sixty-nine of these students attract an element of funding by the ESFA currently.

Whilst it is recognised that RNC is a 'good' (Ofsted, March 2017) provider of specialist provision with 'outstanding' social care provision (CQC inspection, February 2018) and provides a wide range of courses, I am sure you will agree that it does have to be financially viable in order to secure it's own sustainability.

RNC has had declining financial health over a number of years and remains financially inadequate despite the recent sale of the Southern campus, engagement of a recovery consultant, implementation of a recovery plan and significant restructuring. We understand that the management team believes that lying at the core of its issues is resistance from some local authorities to place students at RNC due to financial pressures on their high needs budgets.

We have recently announced an increase to high needs funding of £780 million in 2020-2; which is an increase of more than 12% on the amount available this year, bringing the total spent on supporting those students to attend institutions including RNC to over £7 billion.

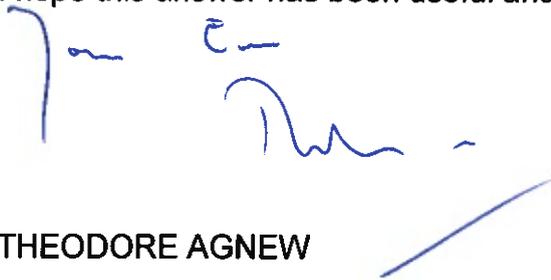
The primary commissioner of places for pupils and students at these institutions is the student's home local authority and the majority of funding for Special Post-16 institutions (SPIs) comes from those commissioning local authorities. The element of funds coming directly from the Department for

Education through the ESFA follows the student. In practice this element of funding (approximately £10,000 per student) represents a small contribution to the RNC's income with funding from the local authorities a much more substantial contribution. The ESFA funding will not, therefore, be a significant factor in stabilising the financial health and viability of the institution. In 2018-19, the Education and Skills Funding Agency provided £873,653 to the college.

Special Post-16 Institutions (SPIs) such as RNC are education providers outside of the public sector and some, as in this case, are national providers. There are 108 such institutions in England delivering to 5,468 students with ESFA funds. These institutions are largely dependent on the placement of learners by local authorities which meet the majority of the cost of providing for their students. Specialist Post-16 Institutions are responsible for their own solvency and whilst ESFA makes an assessment about their financial health based on their latest published accounts we do not financially rescue these institutions.

If a SPI becomes insolvent it is the responsibility of the commissioning local authorities to find the students alternative provision. Where a SPI gets into difficulty we do, of course, work with the organisation and local authorities to support them to find alternative provision for students, often within their locality.

I hope this answer has been useful and will place a copy in the house libraries.



Handwritten signature in blue ink, appearing to read 'Theodore Agnew'.

THEODORE AGNEW