

Condition of Funding and Progress Points

In line with the reform of Functional Skills, there have been a number of recent announcements regarding funding and value of the reformed Functional Skills. This is intended as a guide for you to help understand these changes.

Guided Learning Hours and Funding Rates

The Guided Learning Hours for the Reformed Functional Skills has been set at 55 hours for both English and Mathematics at all levels. This is an increase of ten hours. However, this increase in delivery time is not large enough to generate an increase of funding in any setting, be it Further Education, Apprenticeships or the Adult Education Budget.

Condition of Funding

As well as changes to the Guided Learning Hours, it has also been announced that there will be a change in the Condition of Funding for Further Education for the 2019/20 academic year. Currently all learners have GCSE attainment stated as their final outcome, with those who have a grade 3 having to do compulsory re-sits. This means a learner with a grade 2 in either GCSE English or Mathematics can sit Functional Skills, but their final outcome, the one they must reach by age 19, has to be GCSE.

For the new Condition of Funding, the compulsory re-sits for learners who have achieved a grade 3 remains the same. However, those with a grade 2 or below can have their final outcome set at Functional Skills Level 2. This means there is no compulsory re-sit for these learners and it will be down to the individual college to make the choice, possibly on a learner by learner basis. The AoC believes this will affect over 20,000 learners in 2019/20. Once a learner (who doesn't have a grade 3) passes Level 2 Functional Skills, they no longer have to continue their English and Mathematics studies.

Progress Points

In addition to the Condition of Funding, there will also be changes to Progress Points for Performance Tables post 16 for the academic year 2019/2020. Currently all Entry Level Functional Skills attract a points score of 0.4. This will be amended on a sliding scale so that Entry 1 is worth 0.25 points, Entry 2 is worth 0.5 points and Entry 3 is worth 0.75 points. Level 1 Functional Skills will be worth 2 points (the same as a grade 2 GCSE) and Level 2 Functional Skills will be worth 3.5 points, directly in the middle of grades 3 and 4 GCSE).

Future points: 2020 performance table

Points Awarded	Grade Achieved					
	9-1 GCSEs	Legacy GCSEs	Functional Skills	Free Standing Mathematics	ESOL	AQA use of Mathematics
9	9					
8.5		A*				
8	8					
7	7	A				
6	6					
5.5		B				
5	5					
4	4	C				
3.5			L2			
3	3	D		L2 (all grades)	L2 (all grades)	A*/A/B/C
2	2	E	L1			
1.75				L1 (A-C)	L1 (D/M)	D/E
1.50		F				F
1.25				L1 (D)	L1 (pass)	
1	1	G				G
0.80				L1 (E)		
0.75			EL 3		EL 3	
0.50			EL 2		EL 2	
0.25			EL 1		EL 1	

The changes are:

- Increasing the relative progress points for attaining Functional Skills Level 1 and Level 2 qualifications so providers can further support students to take the Level 2 qualification which is most appropriate for them.
- Reflecting the new GCSE grading system and making the points consistent by moving from the old 8-point scale to the new 9-point scale, with each grade worth one point.
- Recognising progress made between each Entry Level. Currently attainment of any Entry Level qualifications receives 0.4 progress points. From 2020 tables, Entry Level 1 will receive 0.25. Entry Level 2 will receive 0.50 and Entry Level 3 will receive 0.75 points.

What this means in practice?

In a simplified way, a college is entitled to choose the English and Mathematics qualifications for all learners gaining less than a 3. For some learners this could be GCSE and for some it could be Functional Skills. However, the changes to Progress Points means that colleges will no longer be penalised for choosing the Functional Skills option and may, in fact, be better off. Let's look at some scenarios:

Scenario 1

David has a grade 3 in GCSE English and Mathematics. He will need to re-sit his GCSEs, with the GCSEs as his final outcome.

Scenario 2

Preety has a grade 4 in GCSE Mathematics and a 3 in GCSE English. She will need to re-sit GCSE English, with the GCSE as her final outcome.

Scenario 3

Jihan has a grade 4 in GCSE English and a grade 2 in GCSE Mathematics. She will need to continue studying Mathematics. The college has a choice regarding setting Functional Skills or GCSE as her final outcome.

If Functional Skills is set as her final outcome, then she studies Functional Skills at Level 2. When she passes, the college does not have to progress her onto GCSE and she will have achieved 3.5 progress points.

If GCSE is set as her final outcome, then the college can put her onto Functional Skills level 2 as a bridge to the GCSE. If she passes, the college can then progress her onto GCSE having banked the 3.5 progress points. If she achieves Grade 4 GCSE, her progress points go up to 4.

The college can also choose to bypass Functional Skills altogether and put her straight into a GCSE class. If she achieves a grade 3, her progress points will be 3. She will then have to re-sit again. If she achieves a grade 4, her progress points will be 4.

In this scenario it is worth considering two points. The needs of the learner should be taken into consideration. However, in all likelihood, the learner is statistically more likely to achieve Level 2 Functional Skills rather than a GCSE grade 4, especially with the opportunity for multiple re-sits. Under the new system the college will be better off in terms of progress points than before if the learner achieves Level 2 Functional Skills and better off than if they achieve a grade 3.