



## Pearson UK – Funding News

27 March 2015

*Funding News provides a regular round-up of 16-18, 19+ and apprenticeship funding, and related news from government departments, funding agencies and other relevant organisations.*

*Funding news is quite packed this week as the funding agencies release updated guidance for 2015/16. Other news includes the release by BIS of a major consultation on the future of adult skills, the outcome of the BIS consultation on 24+ loans which confirms that loans will not at the moment be expanded as proposed and that loan funding for Higher Nationals will remain with Hefce, news from the DfE that the section 96 criteria are being revised so that personal development qualifications at level 3 will no longer be approved for 16 to 18 year-olds, and news from the Skills Funding Agency on the delay to the publication of part of the next funding catalogue.*

### Government departments

Consultation: A dual mandate for adult vocational education (BIS)

Consultation outcome: Future development of loans in further education (BIS)

Removal of section 96 approval: level 3 personal development and/or transferable skills qualifications (DfE)

### Skills Funding Agency

Qualifications approved for 19+ funding: publication of part of the next funding catalogue delayed

Funding statements: annual notifications

Funding allocations to training providers 2015 to 2016: guidance note

Funding rates and formula, and funding rules 2015 to 2016: version 2

Traineeships: benefit rules changes

Publicly-funded digital skills qualifications: thematic review

Apprenticeships: teachers' handbook and study material

### Education Funding Agency

Funding guidance for 16 to 19 year-olds in 2015 to 2016

Transitional protection of specialist provision for 2015 to 2016

Enrolment of 14 to 16-year-olds in full-time further education

Students meeting the 16 to 19 maths and English condition of funding

### Other organisations

Consultation: After the QCF, A new qualifications framework (Ofqual)

Implementing the work experience element of the 16 to 19 study programme: a good practice guide (AELP)

Making maths and English work for all (ETF)

### Pearson

Steve Besley's Policy Watches

## Government departments

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### Consultation: A dual mandate for adult vocational education (BIS)

On 24 March BIS released a wide ranging consultation on adult vocation education. The stated intention for [A dual mandate for adult vocational qualifications](#) is to launch a debate on the main challenges adult FE faces over the next decade. The 'dual mandate' in the title of the consultation is explained as 1) the role of higher vocational education (higher skills), and 2) the importance of helping individuals to gain the fundamental skills required for work and life (second chances). Although we have an election before any decisions could be made it proposes some important changes for the FE sector, including funding change. The deadline for response is 16 June 2015.

### Consultation outcome: Future development of loans in further education (BIS)

On 24 March BIS published their response to the [consultation on further education – future development of loans](#). The response is a brief 4 pages; the remaining 30 summarise the responses from the sector. In short, many of the simplifications and improvements to the

current system will be implemented, loans will not for now, be expanded (to include 19 to 23 year-olds studying at levels 2, 3 and 4 where they do not currently qualify for full funding, and 24+ year-olds studying at level 2), and Higher Nationals will not move to the Skills Funding Agency but will stay under Hefce loan funding.

### Removal of section 96 approval: level 3 personal development and/or transferable skills qualifications (DfE)

The Section 96 team at the DfE are no longer approving level 3 personal skills qualifications for 16 to 19 year-olds from August 2015. The new rule affects qualifications that only develop or assess personal skills in areas like team working, communication or careers development. Further information and a list of affected qualifications are available on the [section 96 website](#). The Pearson qualifications affected are the Award in WorkSkills (QCF) (60022917) and the Certificate in WorkSkills (QCF) (60023818) which will not be valid for 16 to 19 year-olds from 1 August 2015.

## Skills Funding Agency

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### Qualifications approved for 19+ funding: publication of part of the next funding catalogue delayed

Awarding bodies now make quarterly submissions to the Skills Funding Agency for qualifications to be approved for 19+ funding. The latest submissions were made in early March and the results are expected to be published in the Agency's [funding catalogue](#) on 1 April. The Agency has let awarding bodies know that the timings have changed for Entry, Level 1, and QCF English and maths qualifications:

- Qualifications at level 2 and above which are approved for funding as a result of the submissions made in March will be added to the catalogue, as expected, on 1 April.
- Qualifications at Entry and Level 1, and QCF English and maths qualifications which are approved as a result of the submissions made in March will be added to the catalogue **no later than 22 April**.

### Funding statements: annual notifications

The Agency has issued [funding statements](#) to colleges and training organisations setting out their funding allocation for the 2015 to 2016 funding year. The Agency has calculated funding allocations in line with the letter sent to colleges and training organisations in February and has prioritised apprenticeship provision, maintained the current level of investment in traineeships, and English and maths. Whilst finalising allocations the Agency has revised the allocations methodology (see note below). A full list of allocations will be published on the Agency website in July 2015, once contracts have been issued. Activity for the funding year 2015 to 2016 begins on 1 August 2015.

### Funding allocations to training providers 2015 to 2016: guidance note

On 20 March a second [version](#) of this guidance note was published by the Agency. It sets out the principles the Agency has used to calculate colleges' and training organisations' funding allocations for the 2015 to 2016 funding year. Version 2 includes additional information on how the Agency has protected funding: they have protected apprenticeships and traineeships at the level of current delivery, protected English and maths delivery from within the non-apprenticeship adult skills budget, and protected 2015 to 2016 non-apprenticeship adult skills budget contract values so they are a maximum of 24% less than baselines.

## Funding rates and formula, and funding rules 2015 to 2016: version 2

The Agency has published [Version 2](#) of the Funding Rates and Formula 2015 to 2016 document that sets out the details of the 2015 to 2016 funding system. They have also published a [summary of changes](#), which details the key changes from Version 1 and includes the original changes from the 2014 to 2015 publication. [Version 2](#) of the Funding Rules from the Agency is also now available. The accompanying summary of changes document is published on the same page. It includes the main changes from the funding rules of 2014 to 2015 but is not an exhaustive list.

## Traineeships: benefit rules changes

Over the last year, the Department for Work and Pensions (DWP) has removed the 16-hour training limit for Jobseeker's Allowance (JSA) claimants and made the work experience rules more flexible in order to increase the flexibility. To further increase access to the programme DWP has set regulations that will come into effect today. The changes enable all young people to benefit from full-time participation while maintaining entitlement to their benefits, including those described as 'Qualifying Young People' (predominantly 16-18 year-olds).

## Publicly-funded digital skills qualifications: thematic review

BIS have asked the Agency to carry out a thematic review of publicly-funded digital skills qualifications. This review will start in April 2015. The Agency want to better understand the range and take-up of qualifications that focus on digital skills, and the views of employers/businesses, learners and other stakeholders. They will publish the outcomes in autumn 2015 and the findings will help shape the range of publicly-funded digital skills qualifications.

## Apprenticeships: teachers' handbook and study material

The Agency has updated these [materials](#) to include degree apprenticeships. The apprenticeship self-development pack is for 16 to 19-year-olds who want to go into employment, including apprenticeships and higher apprenticeships, and those who need support with progression options or who are undecided about their future career and study options. Students can use the self-development pack to find out about the apprenticeships available to them. The teachers' handbook supports the apprenticeship self-development pack. The completion of the workbook can count towards the funded 16 to 19 programme.

## Education Funding Agency

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### Funding guidance for 16 to 19 year-olds in 2015 to 2016

The EFA has published two funding guidance documents for 16 to 19 year-olds for the 2015 to 2016 academic year: the [funding regulations](#) and the [funding rates and formula](#). There are small changes and clarifications in both documents and one substantive change in the rates document – from 2015 to 2016, the qualifying period for all students on programmes of 450 hours or more is 6 weeks.

## Transitional protection of specialist provision for 2015 to 2016

The EFA will provide an additional year of protection for specialist provision, with up to £10 million available in 2015 to 2016. Full details can be found [here](#).

## Enrolment of 14 to 16-year-olds in full-time further education

The DfE and the EFA have published [requirements and advice](#) for institutions directly recruiting 14 to 16 year-olds including details of institutions delivering the programme. There are no significant changes from last year.

## Students meeting the 16 to 19 maths and English condition of funding

The EFA are providing information to all institutions that use the ILR to show their students' compliance with the [maths and English condition of funding](#). To access the information on the EFA Information Exchange providers need to open the 'Other Submissions' folder and look under 'Academic Year 14/15'.

## Other organisations

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### Consultation: After the QCF, A new qualifications framework (Ofqual)

Ofqual released their [consultation](#) this week on the removal of the QCF regulations. An Ofqual consultation in 2014 confirmed that it should be replaced and this further consultation is to consider the implementation of its removal and the move to a new framework – the Framework of Registered Qualifications (FRQ). It also follows up on another line of work that Ofqual consulted on last year, to look at a new way of describing the size of qualifications. There are proposals in here for implementing Total Qualification Time (TQT) as the new measure. The consultation deadline is 17 June.

### Implementing the work experience element of the 16 to 19 study programme: a good practice guide (AELP)

The AELP's [guide](#) is designed to help employers and training providers get the best out of their work experience programme. It offers a 'practical overview of what training providers and employers need to consider if they want to make the most of their work experience programme'.

### Making maths and English work for all (ETF)

The Education and Training Foundation published the [results](#) of a major review of employer views of qualifications in maths and English. The main conclusion is that Functional Skills qualifications are "not broken, but could be improved".

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### Steve Besley's Policy Watches

The latest from Steve Besley includes [Policy Eye - week ending March 20 2015](#), and [Pocket Watch – Education and Budget 2015](#). Find these and more on the [Pearson UK](#) website.

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Information is correct at the time of writing and is offered in good faith. No liability is accepted for decisions made on the basis of information given.