# A Handy Guide to funding adult skills in further education

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#### Introduction

This guide is designed to give a quick overview of the funding for adult skills in further education in England. It is written to help you understand who funds this provision, how it is funded, the funding it attracts and how this is paid. The information relates to 19+ funding, 24+ advanced learning loans, and traineeships for 19+ learners in colleges and training providers. It does not cover apprenticeship funding. The last section includes links to some useful documents.

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### Who funds adult skills in further education

The Department for Business, Innovation and Skills (BIS) provide the budget to the Skills Funding Agency (the Agency), an executive agency of BIS, to fund skills training for further education in England. The Agency supports over 1,000 colleges, private training organisations, and employers with more than £4 billion of funding each year.

# **Budgets**

Budgets for the further education (FE) and skills sector are set annually and are laid out, along with BIS's priorities for the sector, in a Skills Funding Letter from BIS to the Agency. The Skills Funding Letter for the 2015 to 2016 financial year was published in February this year (2015). The Agency's Chief Executive Peter Lauener also, and at the same time, sent out a letter explaining what the budget meant for the sector.

The cuts to the budgets are significant this year:

Funding stream	2014-15 (£000s)	2015-16 (£000s)	% change
Adult skills budget	2,240,415	2,008,528	-11
Of which Apprenticeships	-	770,000	-
24+ advanced learning loans	398,000	498,000	+25

- The budget for the 2015 to 2016 financial year has reduced by 11%.
- The Agency's modelling suggests that the total skills budget available for the funding year will be around 17% less than in 2014 to 2015.
- As a result of the commitment to apprenticeships they estimate that the funds available for non-apprenticeship adult skills could reduce by around 24%.
- Apprenticeships (16-18 and 19+), traineeships (16-18 and 19-24) and English and maths remain the key areas of focus. The Agency will increase investment in apprenticeships, protect funding for traineeships, and increase the funding available through 24+ advanced learning loans by 25%.
- The impact of the cuts will vary significantly between individual colleges and training organisations, depending on the mix of training provision delivered. Cuts will be higher where low numbers of apprenticeships, traineeships, English and maths are delivered.
- Providers received their 2015 to 2016 funding statement for the budgets they are allocated in mid-March. Apprenticeship allocations are ring-fenced but providers have the flexibility to use their other adult skills budget funds to deliver against local priorities.
- In addition, after pledging £30 billion of fiscal consolidation in the Manifesto made up of £13 billion cuts to public services, £5 billion from reduced tax evasion and £12 billion of benefit cuts, the Chancellor announced on the 4 June the in-year budget review process which identified savings to be made in the meantime. Whitehall departments outside of protected areas have to make £3 billion of savings this financial year. Almost a third of the savings will be made by cuts to BIS (£450 million) and the administration of arms lengths bodies in the Department for Education (DfE) (£450 million).
- Nick Boles, the Minister of State for Skills has made it clear that the DfE's 16-18 allocations and funding rates for 2015-16 academic year will not change but the Skills Funding Agency communicated the impact of the savings required on 19+ FE and skills to colleges and training organisations on 20 July. The Agency will fund all current apprenticeship growth requests for the 2014 to 2015 funding year but are reducing non-apprenticeship adult skills and discretionary learner support allocations by 3.9% for colleges and training organisations in the 2015 to 2016 financial year, and withdrawing funding for ESOL Plus Mandation in full for the 2015 to 2016 funding year (August 2015 to July 2016).

The annual budget and priorities for the sector can be found in the <u>Skills Funding Letter</u> and the implications can be found in the Agency's <u>letter</u> to the sector. The Conservative <u>Manifesto</u> spells out the £30 billion of fiscal consolidation, and <u>the in-year budget review process</u> identifies the cuts to BIS (£450 million) and the administration of arms lengths bodies in the DfE (£450 million). The 20 July <u>letter</u> from the Agency spells out the further cuts in 2015/16.

# **Funding rates**

Funding rates for all QCF (Qualifications and Credit Framework) qualifications are determined by their credit value. The sector subject area (SSA) determines the programme weighting.

Funding band (credits)	Programme weighting							
	A Base (1)	B Low (1.12)	C Medium (1.3)	D High (1.6)	E/G Specialist (1.72)			
Small provision (1 credit)	£50	£56	£65	£80	£86			
Small provision (2 credits)	£100	£112	£130	£160	£172			
Small provision (3 to 5 credits)	£150	£168	£195	£240	£258			
Small provision (6 to 8 credits)	£300	£336	£390	£480	£516			
Small provision (9 to 11 credits)	£450	£504	£585	£720	£774			
Small provision (12 credits)	£600	£672	£780	£960	£1,032			
Certificate (13 to 24 credits)	£724	£811	£941	£1,159	£1,246			
Certificate (25 to 36 credits)	£1,265	£1,417	£1,645	£2,025	£2,176			
Diploma (37 to 48 credits)	£1,987	£2,225	£2,583	£3,179	£3,417			
Diploma (49 to 72 credits)	£2,573	£2,882	£3,345	£4,117	£4,425			
Diploma (73 to 132 credits)	£4,170	£4,670	£5,421	£6,671	£7,172			
Diploma (133 credits or more)	£6,602	£7,395	£8,583	£10,564	£11,356			

Rates for qualifications outside the QCF are determined by their guided learning hours (glh).

Guided Learning Hours	Funding Band		
Up to 36	Award (1-4)		
37 to 100	Award (5-12)		
101 to 196	Certificate (13-24)		
197 to 292	Certificate (25-36)		
293 to 388	Diploma (37-48)		
389 to 580	Diploma (49-72)		
581 to 1060	Diploma (73-132)		
1061 +	Diploma (133+)		

Some qualifications have their funding band set, based on previous delivery patterns.

Qualification	Funding Band		
GCE AS or A2 Level	Certificate (13-24)		
GCE A Level	Diploma (37-48)		
GCSE	Certificate (13-24)		
GCSE short course	Award (5-12)		
Adult Certificates in ESOL	Certificate (13-24)		
Adult Certificates in ESOL (Speaking and listening)	Award (5-12)		
Functional Skills in English and maths	Certificate (13-24)		
Functional Skills in IT	Award (5-12)		

### In addition:

- For Traineeships the single work-placement and work-preparation rate is £970.
- Where a learner or employer is expected to contribute towards the costs of learning, the total funding available will be reduced by 50% of the fully-funded unweighted rate.

The rules for how funding rates are set can be found in the Agency's <u>Funding rates and formula 2015 to 2016</u>. Funding rates can be found on the funding <u>Hub</u>, and in the Agency's <u>Funding rates catalogue</u>.

# The funding formula

The funding formula for 19+ funding, including traineeships and apprenticeships, starts with the basic cash amount (the funding rate) and then adds uplifts to account for the extra costs providers may incur when delivering to some types of learners and in some locations.



- The disadvantage uplift provides extra funding to support the most disadvantaged learners based on the Index of Multiple Deprivation (IMD) 2010. The uplift factor is between 1.08 and 1.32, otherwise it is defaulted to 1. The disadvantage uplift does not apply to provision funded with a loan.
- The area cost uplift reflects the higher cost of delivering training provision in some parts of the country, such as London and the South East, based on delivery location postcode. The uplift factor is between 1.01 and 1.20, or the factor is defaulted to 1.
- Learning support funding is available if a learner has a learning support need or reasonable adjustment associated with an identified learning aim. Learning Support is earned at a fixed monthly rate of £150. If the cost of providing support to a learner goes above the total earned from the fixed monthly rate, providers can claim through the Earnings Adjustment Statement (EAS). Learners that need significant levels of support to start or continue learning can access Exceptional Learning Support if support costs more than £19,000.
- The achievement element is 20% of the funding which is held back and only paid on achievement of the qualification.

The funding formula is set out in the Agency's Funding rates and formula 2015 to 2016.

# **Earnings method**

- Funding is distributed over the learner's journey from starting the programme to achieving the expected outcome. Earnings are based on monthly instalments.
- If a learner is in learning for at least the 'qualifying period', they are counted as a 'funding start' and that learner will start to earn funding.

Length of the learning aim	Qualifying period
24 weeks or more	6 weeks
2 to 24 weeks	2 weeks
Less than 2 weeks	1 learning engagement

- Funding is directly linked to the learner completing their course and achieving both qualifications and jobs. If the learner leaves early, the monthly instalments will stop.
- The achievement element is only paid when the learner achieves their qualification on the learning actual end date recorded on the ILR, except for 19-24 traineeships that started on or after 1 August 2015.
- A job outcome payment (equal to half of the achievement element) is made if the learner leaves early without achieving their qualification to enter work of 16 hours or more a week for at least four weeks in a row.
- Monthly instalments are worked out after the achievement element (20%) has been removed. They are spread out across the number of planned months for the learning aim, with a double payment in the first month. The instalment calculation uses the formula 'n+1', where 'n' is the number of planned months. The formula recognises the upfront costs associated with enrolling a learner on a learning aim.
- The table below is a basic example of the earnings method for a learner starting a course in September and achieving in June. The example shows how a course with a total cost of £1,000 would be paid over the 9 month period: 9 monthly on-programme payments (OPP) of £80 plus a double monthly on-programme payment (i.e. n+1) of £160 in the first month and an achievement payment of £200 upon completion.

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May	Jun
Payment	OPP	OPP	OPP	OPP	OPP	OPP	OPP	OPP	OPP	Achievement
instalments	OPP	OFF	OFF	payment						
Payment example	£160	£80	£80	£80	£80	£80	£80	£80	£80	£200

The earnings method is set out in the Agency's Funding rules 2015 to 2016.

# Qualification eligibility for funding

Once regulated by Ofqual a qualification must go through approval processes before they are made eligible for funding. Different processes apply depending on the funding stream the qualification is made eligible for. Qualifications eligible for funding for 19+ year-olds go through the following process:

The process	Time from regulation to funding confirmation on the funding Hub
	Qualifications are approved by the Agency for funding on a quarterly basis,
Qualifications are either automatically	once regulated by Ofqual, and are confirmed on the Simplified Funding Rates
pproved by the Agency, <b>or</b>	Catalogue.
	The funding Hub is updated 2-3 weeks later.
If eligible, submitted by the awarding	Qualifications are approved by the Agency for funding on a quarterly basis,
organisation for funding approval by	according to the timescales below, and are confirmed on the Simplified
	Funding Rates Catalogue.
the Agency	The funding Hub is updated 2-3 weeks later.

### Qualifications automatically approved for funding

Certain qualifications are automatically approved by the Agency for 19+ funding.

#### Qualifications automatically approved for 19+ funding

- General Certificate of Secondary Education (GCSE), and Advanced Level and Advanced Subsidiary Level (GCE)
- Functional Skills in English, maths and ICT from Entry Level to Level 2, and QCF ESOL qualifications
- QAA Access to Higher Education Diplomas
- iGCSEs in English and maths that are part of the English Baccalaureate (EBacc) measure grade A\* to C
- Free-standing Maths qualifications up to and including Level 2
- Technical Certificates and Tech Levels which meet DfE requirements for inclusion in 16 to 19 Performance Tables
- Levels 3 and 4 Early Years Educator qualifications that the National College for Teaching and Leadership confirms as 'full and relevant'
- Ofqual-regulated Level 2 Early Education and Childcare qualifications, including all Children's Care Learning and Development qualifications that provide progression routes to Level 3
- Level 3 Diplomas for Residential Childcare (England)
- · Level 3 Awards in Education and Training and Level 4 Certificates in Education and Training
- Specific qualifications in fork-lift truck, food hygiene, health and safety, first aid at work and security approved for certain groups of learners
- Princes Trust Employment, Teamwork and Community Skills qualifications

#### Qualifications not automatically approved for funding

- The process for 19+ funding for any qualifications not on the list above, is not automatic: a submission needs to be made for funding to the Agency for every qualification that is not automatically approved.
- Qualifications not automatically approved need to meet the Agency's size, purpose and recognition business rules.

### Full and non-full qualifications

A learner may be entitled to full funding for their first 'full' Level 2 or Level 3 qualification. 'Full' qualifications are a subset of the list of qualifications approved for funding.

- The following level 2 qualifications are defined as full:
  - five GCSEs at A\* to C
  - Technical Certificates in the DfE 16 to 19 Performance Tables
  - qualifications at Level 2 that are 15 credits or 150 GLH or more.
- The following level 3 qualifications are defined as full:
  - QAA Access to Higher Education Diplomas
  - two A-levels
  - Tech Levels in the DfE 16 to 19 Performance Tables
  - qualifications at Level 3 that are 30 credits or 300 GLH or more
  - Early Years Educator qualifications that are 30 credits or 300 GLH or more.

### When qualifications are made eligible from

Qualifications are usually made eligible for the duration of the funding year i.e. from 1
August to 31 July. If a qualification is approved after 1 August it is backdated to 1 August,
or its operational start date if that is later.

### **Approval timescales**

- Submissions are made on a quarterly basis and once a qualification is approved they are added to the funding rates catalogue and the funding Hub.
- The Agency also review qualifications on a yearly basis and remove public funding for 19+ learners from many qualifications that have no or low enrolments.

Timescales for submissions for 19+ funding							
Process cycle	Awarding organisation submission date	Updated offer published by					
Quarterly process	6 March 2015	1 April 2015					
Quarterly process	4 June 2015	1 July 2015 (last publication of the 2014 to 2015 offer)					
Quarterly process	3 September 2015	1 October 2015					
Annual review	5 November 2015	8 February 2016					
Quarterly process	3 March 2016	3 April 2016					
Quarterly process	9 June 2016	4 July 2016					

Information about which qualifications are funded by the Agency and the funding approval decision process can be found in the Agency's <u>Qualifications information guide</u> and detailed information about how awarding organisations make submissions for funding can be found in the Agency's <u>Technical guide for awarding organisations - Approval of Qualifications for public funding for adult learners</u>. Qualifications approved for funding can be found on the funding <u>Hub</u>, and in the Agency's <u>Funding rates catalogue</u>.

# Learner eligibility for funding

If you plan on drawing down funding for a learner you must check if they are eligible for funding. There are three levels of funding available for learners within the adult skills budget.

- Full funding the Agency fund in full the costs of learning.
- Co-funding the Agency share responsibility for funding the costs of learning. This may mean remaining costs are passed on to the learner or their employer.
- Loan funding loans are available to help learners aged 24 or above pay the fees charged by colleges and training providers for courses at levels 3 and 4.

The table below shows the levels of government contribution that are made towards the cost of learning. It applies to learners who are starting learning aims which are eligible to be funded through the adult skills budget.

Providers can at their discretion fund individuals aged 19 to 23 taking learning aims up to and including level 4 and individuals aged 24 or older taking learning aims up to level 2 who are unemployed, or are receiving any state benefits not in the list below, and those who want to enter employment and believe skills training will help them to do so, and where the provider is satisfied that their learning is directly relevant to both the individual's employment prospects and the needs of the local labour market, and the aim is delivered through classroom learning.

The learner eligibility rules can be found in the Agency's Funding rules 2015 to 2016.

# Funding eligibility in brief

Stand alone units = Excluding Basic Skills	La series de la constante de l	From the control of the state o		
19+ on certain benefits <sup>1</sup> , and who need help to move into work, progress in work or remove a barrier to getting into work  All learners who do not currently have GCSE English and/or maths qualifications at grades A* to C  ESOL  19+ on certain benefits <sup>1</sup> , and who need help to move into work, progress in work or remove a barrier to getting into work, progress in work or remove a barrier to getting into work, progress in work or remove a barrier to getting into work, progress in work or remove a barrier to getting into work, progress in work or remove a barrier to getting into work progress in work or remove a barrier to getting into work work  19- on certain benefits <sup>1</sup> , and who need help to move into work work  19-23 without level 2, and who are progressing to a full level 2 qualification  19-23 with level 2  24+  Co-funded (only vocational qualifications can be funded if taken in the workplace <sup>2</sup> )  19-on certain benefits <sup>1</sup> , and who need help to move into work, progress in work or remove a barrier to getting into work  19-23 with level 2  24+  Co-funded (only if taken in the classroom <sup>2</sup> )  Fully funded  19-23 without level 2  19-23 without level 2  19-24 with level 2  24-  Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>2</sup> )  24-  19-23 with level 2  24-  Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>3</sup> )  19-23 with level 2  24-  Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>3</sup> )  19-10 certain benefits <sup>3</sup> , and who need help to move into work work progress in work or remove a barrier to getting into work progress in work or remove a barrier to getting into work progress in work or remove a barrier to getting into work progress in work or remove a barrier to getting into work progress in work or remove a barrier to getting into work progress in work or remove a barrier to getting into work progress in work or remove a barrier to getting into work progress in work or remove a barrier to getting into work p		Funding eligibility		
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19-23 with level 2  Co-funded (only learners employed by a SME can be funded if taken in the workplace²)  Co-funded (only learners employed by a SME can be funded if taken in the workplace²)  Level 2 not classed as full (excluding English, maths or ESOL)  19+ on certain benefits¹, and who need help to move into work, progress in work or remove a barrier to getting into work  19-23 without level 2 and who are progressing to a full level 2 qualification  19-23 with level 2  Co-funded (only vocational qualifications can be funded if taken in the workplace²)  19-23 with level 2  Co-funded (only if taken in the classroom²)  Co-funded (only if taken in the classroom²)  Traineeships	work, progress in work or remove a barrier to getting into	Fully funded		
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Traineeships	19-23 with level 2  24+  Level 2 not classed as full (excluding English, maths or ESOL)  19+ on certain benefits <sup>1</sup> , and who need help to move into work, progress in work or remove a barrier to getting into work  19-23 without level 2 and who are progressing to a full	Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>2</sup> )  Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>2</sup> )  Fully funded  Fully funded (only vocational qualifications can be funded		
	19-23 with level 2  24+  Level 2 not classed as full (excluding English, maths or ESOL)  19+ on certain benefits <sup>1</sup> , and who need help to move into work, progress in work or remove a barrier to getting into work  19-23 without level 2 and who are progressing to a full level 2 qualification	Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>2</sup> )  Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>2</sup> )  Fully funded  Fully funded (only vocational qualifications can be funded if taken in the workplace <sup>2</sup> )		
16-24 without level 3 Fully funded	19-23 with level 2  24+  Level 2 not classed as full (excluding English, maths or ESOL)  19+ on certain benefits <sup>1</sup> , and who need help to move into work, progress in work or remove a barrier to getting into work  19-23 without level 2 and who are progressing to a full level 2 qualification  19-23 with level 2	Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>2</sup> )  Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>2</sup> )  Fully funded  Fully funded (only vocational qualifications can be funded if taken in the workplace <sup>2</sup> )  Co-funded (only if taken in the classroom <sup>2</sup> )		
	19-23 with level 2  24+  Level 2 not classed as full (excluding English, maths or ESOL)  19+ on certain benefits <sup>1</sup> , and who need help to move into work, progress in work or remove a barrier to getting into work  19-23 without level 2 and who are progressing to a full level 2 qualification  19-23 with level 2  24+	Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>2</sup> )  Co-funded (only learners employed by a SME can be funded if taken in the workplace <sup>2</sup> )  Fully funded  Fully funded (only vocational qualifications can be funded if taken in the workplace <sup>2</sup> )  Co-funded (only if taken in the classroom <sup>2</sup> )		

### Funding eligibility in brief cont.

Learner	Funding eligibility			
Full level 3				
19-23 on certain benefits <sup>1</sup>	Fully funded			
19-23 without level 3	Fully funded			
19-23 with level 3	Co-funded (only if taken in the classroom <sup>2</sup> )			
24+	Loan funded			
Level 3 Certificates				
19-23 on certain benefits <sup>1</sup>	Fully funded			
19-23 with level 3	Co-funded (only if taken in the classroom <sup>2</sup> )			
24+	Loan funded			
Other level 3/4				
19-23 on certain benefits <sup>1</sup>	Fully funded			
19-23 with level 3	Co-funded (only if taken in the classroom <sup>2</sup> )			
Level 4				
19-23 on certain benefits <sup>1</sup>	Fully funded			
19-23 without level 3	Fully funded (only if where 30 credits or more)			
19-23 without level 3	Co-funded (where 29 credits or fewer and delivered through classroom learning)			
19-23 with level 3	Co-funded (only if taken in the classroom <sup>2</sup> )			
24+	Loan funded			
Level 5+				
All	Not funded			
Apprenticeship at all levels <sup>3</sup>				
16-18 <sup>4</sup>	Fully funded (for higher apprenticeships at levels 4, 5 and 6, only non-prescribed higher education learning aims are funded by the Agency)			
19+	Co-funded (for higher apprenticeships at levels 4, 5 and 6, only non-prescribed higher education learning aims are funded by the Agency)			

- 'Certain benefits' refer to learners released on temporary licence (RoTL), undertaking learning outside a prison environment and not funded through OLASS, receiving Jobseeker's Allowance (JSA), including those receiving National Insurance credits only, receiving Employment and Support Allowance (ESA) and are in the work-related activity group (WRAG), or receiving Universal Credit and mandated (required) to undertake skills training.
- <sup>2</sup> Classroom learning refers to any delivery not classed as workplace learning. Workplace learning refers to any learning aim mainly delivered within a workplace and in connection with the employed learner's occupation or their employer's business. Where neither workplace nor classroom learning is mentioned the funding applies to both apart from in apprenticeships which are all classed as workplace learning, and traineeships which are all classed as classroom learning.
- Individuals who already have a level 4 qualification are only eligible for funding for a apprenticeship at level 5 or above. They are not eligible for funding for a level 2 or level 3 apprenticeship, or a level 4 higher apprenticeship.
- <sup>4</sup> 16-18 year-old learners are included here as the funding for apprenticeships for 16-18 year-olds goes via the Agency.

# 24+ advanced learning loans

24+ advanced learning loans help people aged 24 or over carry out level 3 or 4 further education learning aims and get access to the funds they need to gain advanced and higher-level skills. Since 2013 to 2014 there has been no funding or co-funding for learners aged 24 or over for provision at level 3 or above from the Agency and instead learners are able to access loans for provision at levels 3 and 4. Learners on apprenticeship programmes do not have to take out loans.

- You can only deliver provision funded by Loans if the Agency has have given you a Loans facility. The Student Loans Company (SLC) are responsible for making loan payments to providers on behalf of learners. If you are delivering provision funded by Loans, the SLC will give you access to their learning provider portal (an interactive web-based service that will act as the main channel of communication between you and the SLC, which will be the method they use to confirm learner attendance and release Loan payments).
- The funding rates for qualifications taken with a loan are the same as for other 19+ provision.
- The funding formula is the same as for other provision but the disadvantage uplift does not apply to provision funded with a loan.
- The earnings method is the same as for other provision.
- The following types of provision are eligible to be funded with loans:
  - Full A-levels (up to a maximum of four).
  - Access to Higher Education Diplomas.
  - Certificates at levels 3 and 4.
  - Diplomas at levels 3 and 4.
  - Technical (tech) levels.
  - Early Years Educator learning aims at level 3.

Qualifications are approved for loan funding in the same way they are approved for all other 19+ funding. They are either automatically approved, or a submission needs to be made.

Learners are entitled to up to four loans, for four learning aims, where each loan is for a
different category of provision. Learners are eligible for loans according to the eligibility
table above, but the Student Loans Company are be responsible for deciding whether a
learner is eligible for a loan.

The rules in full can be found in the Agency's <u>Funding rules 2015 to 2016</u>, and the rates and formula can be found in the Agency's <u>Funding rates and formula 2015 to 2016</u>.

# **Traineeships**

Traineeships help unemployed young people to develop the necessary skills and experience to progress to an apprenticeship or sustainable work. For 16 to 19 year olds, traineeships are part of study programmes and funding is based on the Education Funding Agency's funding method. For 19 to 24 year olds, traineeships are part of the existing flexibilities within the Adult Skills Budget and funding is based on the Agency's funding system and funding rules.

- The Agency fund traineeships for 19 to 24 year-olds, and traineeships for 16 to 18 year olds where providers do not have a funding agreement in place with the Education Funding but deliver 16 to 18 apprenticeships through the Agency.
- For 16-18 traineeships providers must report all planned hours for a learner in the ILR. This
  includes both core and flexible elements. Learners will normally be funded as a part-time
  study programme, based on the planned hours entered on the appropriate funding rate
  band.
- Traineeship funding for 19-24 year olds is part of the adult skills budget. From 1 August 2015 the funding for 19- to 24-year-olds for work experience and work preparation components have been combined into a single funding rate. To claim the single funding rate learners must undertake both work experience and work preparation.
- There are three aspects of 19 to 24 funding for traineeships starting from 1 August 2015:
  - The single work-placement and work-preparation rate the funding rate is based upon the costs for work placements (costs of involving employers, establishing placements, carrying out monitoring and mentoring visits, and supporting exit interviews), and typical delivery of work-placement and work-preparation aims in the funding year 2013 to 2014 and is set at £970.
  - GCSE English and maths (if required) or other qualifications to support progress towards
     GCSE English and maths at grade C and above the funding rate is set through the funding matrix.
  - The flexible element designed to help the learner move into work or remove a barrier to them entering work again, the funding rate is set through the funding matrix.
- Work preparation activity delivered does not attract individual funding rates as funding for these activities is included within the single traineeship rate for work placement and work preparation
- The achievement payment for the work-placement and work preparation element is earned when the learner has a positive destination recorded on the ILR, for example, progressing to an apprenticeship, job or further learning as defined in the Agency's funding rules.

The <u>Traineeships Framework for Delivery</u> consolidates recent policy changes, showcases best practice and highlights examples of how partners have developed their offer. The rules in full can be found in the Agency's <u>Funding rules 2015 to 2016</u>, and the rates and formula in the Agency's <u>Funding rates and formula 2015 to 2016</u>. You can find more details on the EFA's national funding rates in the EFA's <u>Funding guidance for young people 2015 to 2016</u>: <u>Funding rates and formula</u>.

# Checking a qualification is eligible for funding

Before you use a qualification you must check: a) that it is approved for funding b) that it is available from the awarding organisation for new learner registrations.

The funding <u>Hub</u> is the key source of confirmation of funding eligibility. The Agency also publishes the <u>funding rates catalogue</u> to ensure providers know as soon as possible when a qualification is confirmed for 19+ funding. The catalogue lists all provision which the Agency has approved for public funding in 2015 to 2016 and their funding rates. Information regarding availability of qualifications for 24+ advanced learning loans is also included.

The following steps show a very simple way to search the Hub:

#### Step 1

 Make sure you select the 2015/16 funding year if you are looking for 2015/16 funding and include the code or title of the qualification you are looking for:

Keyword or code:	60038883		
Filter results	5		
Type of Learning:	Qualifications	•	
Teaching year:	2015/2016	•	

### Step 2

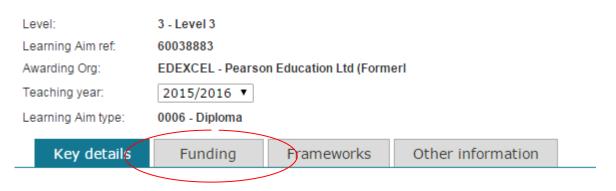
• Once you have found your qualification, click on the qualification title, which is a link:

Learning Aim Ref	Learning Aim Title	NVQ Level V2	Awarding Org	Validity	16-19 EFA	Adult Skills	24+ Loan	Other
60038883	90-credit Diploma in Engineering (QCF)	3	EDEXCEL	From: LDNS: To:	01/12/11 31/08/16 -	01/12/11 31/07/16 31/07/19	01/08/13 31/07/16 31/07/19	01/08/11 - -

### Step 3

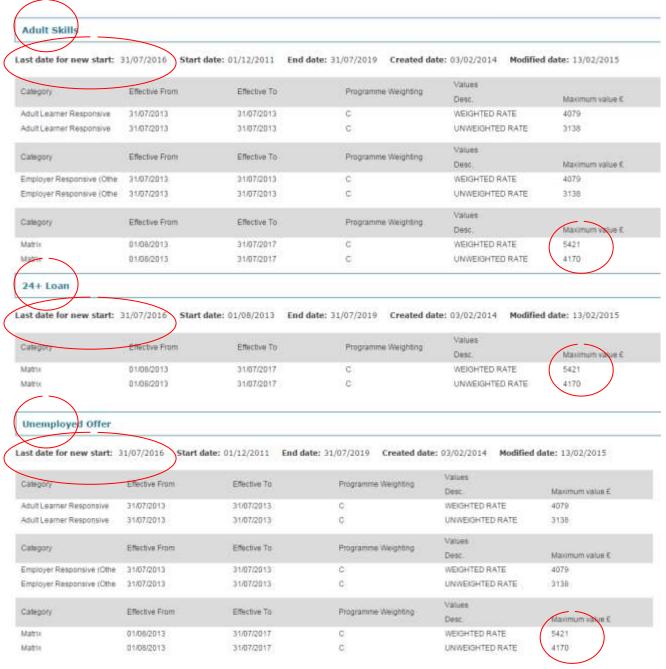
• The link will take you through to the summary page. Click on the 'Funding' tab:

# 90-credit Diploma in Engineering (QCF)



### Step 4

- This page gives you the funding information for all the funding streams.
- 'Adult skills', '24+ loan' and the 'unemployed offer' are the streams you will be looking for.
- If the 'Last date for new starts' is in the future then the qualification is eligible for funding or loan funding.
- The funding rate can be found in the last column in the 'matrix' categories (the other categories refer to the old funding system).
- If the funding stream isn't on the page, or it is and the 'Last date for new starts' has passed, then the qualification isn't eligible for funding, co-funding, or loan funding.



# **New providers**

If you are new to the Agency you can apply to compete for funding opportunities to provide education and skills training. Organisations that are eligible for funding from the Agency are listed on the register of training organisations. These organisations can be invited to compete in tenders by the Agency, but appearing on the register does not guarantee a contract.

The Agency provides guidance on <u>working with the Agency as a provider</u>, and on the <u>register of training organisations</u>.

# **Summary of useful links**

### **Budgets**

- Skills Funding Letter
- Agency's response to the Skills Funding Letter
- Conservative Manifesto
- In-year budget review process

### **Funding rates**

- Agency's <u>Funding rates and formula 2015 to 2016</u>
- Funding Hub
- Agency's Funding rates catalogue

### The funding formula

Agency's Funding rates and formula 2015 to 2016

### Earning's method

Agency's <u>Funding rules 2015 to 2016</u>

### Qualification eligibility for funding

- Agency's Qualifications information quide
- Agency's <u>Technical guide for awarding organisations Approval of Qualifications for public funding for adult learners</u>
- Funding Hub
- Agency's <u>Funding rates catalogue</u>

### Learner eligibility for funding

Agency's <u>Funding rules 2015 to 2016</u>

### 24+ advanced learning loans

- Agency's <u>Funding rules 2015 to 2016</u>
- Agency's Funding rates and formula 2015 to 2016

### **Traineeships**

- <u>Traineeships Framework for Delivery</u>
- Agency's <u>Funding rules 2015 to 2016</u>
- Agency's Funding rates and formula 2015 to 2016
- EFA's Funding guidance for young people 2015 to 2016: Funding rates and formula

### Checking a qualification is eligible for funding

- Funding Hub
- Agency's <u>funding rates catalogue</u>

### **New providers**

- Working with the Agency as a provider
- Register of training organisations.