



Pearson UK – Funding News

21 August 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.

Internal and external colleagues can sign up to receive Funding News directly to their inbox by subscribing [here](#).

Funding News is busy this week mainly because we weren't in touch for the first two weeks in August. News includes the consultation from BIS on the apprenticeship levy, a moratorium on the approval of qualifications for 19+ funding from 3 September, and a number of reports about vocational skills.

Prime Minister's Office

- Apprenticeships and government procurement

BIS

- Consultation on the apprenticeships levy

DfE and BIS

- NEET statistics quarterly brief: April to June 2015

BIS and the SFA

- FE data library: apprenticeships

SFA

- Moratorium: approving qualifications for 19+ funding, and the latest funding catalogue
- Business plan 2015 to 2016
- Funding rules 2015 to 2016: version 2 addendum 1
- Apprenticeship delivery board
- Early years educator apprenticeships and English and maths
- Apprenticeship over-delivery payments 2014 to 2015
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- Performance management rules
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EFA

- 16 to 19 provision: audit approach

Hefce

- Higher education in England 2015: key facts

Independent Commission on Fees

- Final report

Sixth Form Colleges Association

- Annual funding impact survey 2015

CBI

- Briefing note on the apprenticeship levy

Edge Foundation

- The graduate labour market: an uncomfortable truth

IPPR

- The missing pieces: solving the UK's productivity puzzle

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- Over-qualification and skills mismatch in the graduate labour market

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- Steve Besley's Policy Watches

Prime Minister's Office

Apprenticeships and government procurement

The Prime Minister [announced](#) today that from 1 September 2015, all bids for government contracts worth more than £10 million must demonstrate a commitment to apprenticeships. The move is aimed at widening the scope of businesses offering apprenticeships. More than £50 billion a year is spent on government procurement contracts.

Department for Business, Innovation and Skills

Consultation on the apprenticeships levy

BIS released a [consultation](#) today on the implementation on the apprenticeship levy. Views are being sought on how it will be paid, how it should work for employers who operate across the whole of the UK, how to make sure that employers paying have the opportunity to get more out than they put in, and how best to give employers control of apprenticeships. More detail on the levy rate and scope will be provided later in the year.

Department for Education, and Department for Business, Innovation and Skills

NEET statistics quarterly brief: April to June 2015

BIS and the DfE [report](#) that [official figures](#) show that the number of 16-18 year-olds not in education, employment or training (NEET) in England between April and June is at its lowest since records began in 2000. The figures show falls across all age categories. Compared to 2010, there are 75,000 fewer 16-24 year-olds NEET.

Department for Business, Innovation and Skills, and Skills Funding Agency

FE data library: apprenticeships

Two additions have been made to the [statistical data set](#) for apprenticeships: a new version of apprenticeships by sector subject area, level and age, and information on new apprenticeships by geography and sector subject area.

Skills Funding Agency

Moratorium: approving qualifications for 19+ funding, and the latest funding catalogue

On 13 August awarding organisations were [informed](#) by the Agency that the next approval window (3 September) will be the last for the 2015 to 2016 year, for most qualifications. The Agency will continue to approve qualifications that are approved automatically (for example, Tech Levels and Technical Certificates) and vocational qualifications at levels 3 and 4 for 24+ loan funding. We are trying to ensure as many qualifications as possible are submitted on 3 September. The reason for the moratorium is that the Agency will be changing the approval process following the publication of the government's productivity plan. More information about the new process for 2016 to 2017 will be available in the autumn. The latest [Skills Funding Agency's catalogue](#) was published on 31 July.

Apprenticeship delivery board

The government has created the Apprenticeship Delivery Board to advise on how to expand the apprenticeship programme. David Meller, Chair of the Apprenticeship Ambassadors Network, and the Prime Minister's apprenticeships adviser, Richard Harrington MP, will jointly chair the board. The board will develop and implement an engagement strategy for businesses of all sizes in the public and private sectors to increase the number of apprenticeship places that businesses offer.

Business plan 2015 to 2016

On 14 August the Skills Funding Agency published their [Business Plan for the financial year 2015 to 2016](#). It describes how the Agency will deliver their key objectives and sets out the Agency's budgets.

Funding rules 2015 to 2016: version 2 addendum 1

The Agency published the [Funding Rules 2015 to 2016 Version 2 Addendum 1](#) on 30 July. The amendments include funding rules for ESF match funding, financial contributions, level 3 early years educator qualifications, and traineeships. Changes will be applied from 1 August.

Early years educator apprenticeships and English and maths

The Agency has removed the funding rule that learners must have GCSE English and maths at grade C or above before enrolling on any funded or loan funded early years educator apprenticeship following the [government announcement](#). English and maths GCSEs at grade C or above will become an exit requirement rather than an entry requirement.

Apprenticeship over-delivery payments 2014 to 2015

The Agency will fund all high-quality 16 to 18 and 19+ apprenticeship delivery relating to the 2014 to 2015 funding year. Peter Lauener, Chief Executive of the Agency, set out details of the changes in a [letter to the sector](#) in July.

Apprenticeship standards in development, and ready for use

The contact details have been updated on the Skills Funding Agency's page on [apprenticeship standards in development](#) which lists the occupations approved for the development of an apprenticeship standard, and the employers involved in the trailblazers that are developing these standards. Over 50 [new standards](#) have been published by the Skills Funding Agency over the past few weeks.

Apprentice support guide

On 14 August the Skills Funding Agency published an [apprenticeship support guide](#) aimed at young people who are ready to apply for an apprenticeship, to help them through the recruitment process.

Performance management rules

The Agency published [performance management rules 2015 to 2016](#) on 12 August. The rules explain how reported and actual performance will affect funding allocations to providers of skills and training funded by the Agency.

24+ advanced learning loans facility

Colleges and other training organisations must have a loans facility to offer provision funded with a loan. The Agency has published the [application process](#) and the criteria for colleges and other training organisations that wish to request a loan facility.

Education Funding Agency

16 to 19 provision: audit approach

This [publication](#) sets out the EFA's audit approach for 16 to 19 provision funded by the EFA in the 2014 to 2015 academic year.

Hefce

Higher education in England 2015: key facts

Hefce published their [update](#) to the 2014 publication in July. It provides an overview of the shifts and trends identified in higher education in England in 2015. In 2014-15 the number of full-time entrants at undergraduate level continued to recover, but there are indications that this growth may be slowing. The decline in entry to part-time courses, particularly at undergraduate level in courses other than traditional bachelors degrees, continues in 2014-15.

Independent Commission on Fees 2015

Final report

The final [report](#) of the Independent Commission, which was created in 2011 to analyse the effect of increased tuition fees on students, was published at the end of July. The report finds that the number of students applying to university has not been significantly affected by the new fee regime but certain groups within the system have been adversely affected. The report recommends that the Office for Budget Responsibility investigate the current student loan system, especially in the wake of funding changes announced in the Summer Budget 2015.

Sixth Form Colleges Association

Annual funding impact survey 2015

Earlier in August the SFCA published their [Funding Impact Survey 2015](#). The findings indicate the future of Sixth Form Colleges in England is under threat as a result of Government cuts to the sector's funding.

CBI

Briefing note on the apprenticeship levy

This briefing [note](#) from the CBI, published before the apprenticeship levy consultation (see above), warns of the potential weaknesses of a levy approach and lists key features the CBI believe need to be in place for a levy system to be effective. The CBI called for the consultation to include the rate and reach of the levy (factors not included in the published consultation).

Edge Foundation

The graduate labour market: an uncomfortable truth

On 13 August Edge published a [report](#) looking at graduate employment. It argues that many jobs don't need graduate level skills, and that this portrait of under-employed graduates is all the more worrying when set against a backdrop of growing skills shortages in many sectors of the economy. They recommend that young people, parents and teachers need a much better appreciation of the vast range of opportunities offered in the modern economy.

IPPR

The missing pieces: solving the UK's productivity puzzle

On 10 August IPPR released a [report](#) analysing the UK's 'productivity puzzle'. It demonstrates that poor productivity performance across most sectors of our economy explains why we are so behind comparable economies. It recommends that government needs to change its focus, most importantly by supporting lower-productivity sectors, and reconsidering cuts to capital spending on infrastructure, further education and the science budget.

CIPD

Over-qualification and skills mismatch in the graduate labour market

The CIPD [report](#) published on the 19 August highlights the skills mismatch in the graduate labour market. They argue that the findings raise questions about the size of the HE sector in relation to our labour market needs and reinforce calls for investment in alternative routes into work for young people.

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Steve Besley's Policy Watches

The latest includes [Policy Eye - week ending August 14 2015](#), [Policy Eye - week ending July 31 2015](#), and [Policy Tracker - Keeping track of what happened in the world of education in July 2015](#). Find these and more on the Pearson UK website or [sign up](#) for email updates direct to your inbox.

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