



Pearson

Pearson UK – Funding News

22 April 2016

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 can also be found on the [Pearson UK](#) website along with Funding Focus documents which provide quick summaries of recent funding developments, or particular aspects of the funding system.

Key funding news this week includes the publication by the DfE of the lists of the technical and vocational qualifications included in 2018 performance tables; crucial of course as technical certificates, tech levels, and applied generals will all be automatically approved for 19-23 entitlement funding in 2016/17. Also, this week, BIS has released further guidance on how the apprenticeship levy will work, updates have been made to the funding hub to show funding information for 2016/17, and a report from HEPI calls for parity with higher and degree apprenticeships, in funding terms, for employer sponsored education.

Government departments

- BIS: Apprenticeship levy, how it will work
- DfE: Consolidated annual report and accounts 2014 to 2015

Funding agencies

- SFA: Funding hub updated for 2016/17
- SFA: European social fund 2014 to 2020, invitations to tender
- SFA: Advanced learner loans toolkit
- EFA: Review of 2013/14 data submitted against study programme principles
- Hefce: Degree apprenticeships

Higher education policy institute

- Making a success of employer sponsored education

157 Group

- Skills for work, skills for London

National audit office

- English devolution deals

Pearson

- The latest on qualifications approved for 19+ funding
- Steve Besley's Policy Watch



Pearson

Government departments

BIS: Apprenticeship levy, how it will work

BIS released [further guidance](#) this week on how levy will work. It answers some key questions about how the levy will be paid, accessing money paid under the apprenticeship levy, buying apprenticeship training, what apprenticeship funding can be spent on, eligibility for training, and when further information will be available. Some crucial questions about the operation of the levy are answered – such as when funds will expire (after 18 months), and whether employers can direct funds in a digital account to another employer (no – not for the first year at least). Other key questions such as whether employers will in the future be able to direct funds to another employer, and the funding methodology for non-levy paying employers, will be addressed in future guidance.

In June 2016 information will be released about: provisional funding bands, the provisional level of the government contribution that will be available towards the cost of apprenticeship training for non-levy payers, the provisional level of extra payments for 16-18 year-olds, the provisional amount that will be paid for English and maths training, eligibility rules for on whom apprenticeship funding can be spent, and more information on who can provide apprenticeship training and how you can set up your organisation to deliver apprenticeship training.

In October the final levels of funding, government support, 16 to 18 payments, and English and maths payments for apprentices will be published alongside the full, draft funding and eligibility rules. The final detailed funding and eligibility rules, and further employer guidance from HMRC on how to calculate and pay the apprenticeship levy, will be published in December.

DfE: Consolidated annual report and accounts 2014 to 2015

The DfE released their [annual report and accounts](#) for the financial year 2014 to 2015, including information about agencies and public bodies this week. It reports on the DfE's main achievements over the financial year from 2014 to 2015, along with the main risks and issues faced and presents information on governance, departmental structure, and policy development and delivery.

On the same day the NAO provided an '[adverse opinion](#)' on the truth and fairness of the financial statements. An adverse opinion indicates the level of error and uncertainty in the statements is considered to be both material and pervasive.

Funding agencies

SFA: Funding hub updated for 2016/17

The SFA has updated the drop-down menu for the 'teaching year' to include 2016/17 on the learning aim search on the [hub](#). You can use this to search the aims the SFA will fund in 2016/17. A new category has also been added to identify the qualifications that are part of the legal entitlements for 2016/17.

SFA: European social fund 2014 to 2020, invitations to tender

The SFA will launch the remaining procurement for activity to deliver the ESF 2014 to 2020 programme by the end of May 2016. During April they will launch activity under investment priority 2.1 (which includes skills support for the workforce, skills support for redundancy and apprenticeship services), and over the next few weeks will also launch activity for investment priority 2.2 (Improving the Labour Market) and the following investment priority 1 projects: skills support for the unemployed, career education and information advice and guidance for young people and adults, and business support and enhancing apprenticeships. This will complete all of the procurement activity. Invitations to bid will come via the



Pearson

BRAVO e-tendering system.

SFA: Advanced learner loans toolkit

The SFA has updated the [advanced learner loans toolkit](#) to reflect the expansion of the loans programme to learners aged 19+ studying qualifications at levels 3 to 6 from August 2016. The toolkit gives advice and guidance on how to establish and develop training provision funded by loans.

EFA: Review of 2013/14 data submitted against study programme principles

Last year the EFA reviewed the end of year data for 2013/14 for all EFA funded institutions against the core principles of study programmes. As part of the review the EFA contacted the institutions whose provision appeared to be non-standard to understand the reasons for the delivery patterns. These have been reviewed and the EFA has now [outlined](#) the reasons for the delivery patterns being non-standard as well as the actions being taken. The areas of the funding formula where delivery appeared to be non-standard are listed, along with the EFA's views and actions. The EFA is now reviewing their guidance against comments received where institutions responded that their delivery/data recording errors were as a consequence of a lack of clarity around what was required, and is now reviewing 2014/15 academic year data returns against the core principles of study programmes.

Hefce: Degree apprenticeships

Hefce have created a [webpage](#) for universities and colleges wanting to find out more about the available for degree apprenticeships and what changes to policy might mean for them. It includes an explanation of what they are, FAQs, jargon and key organisations, and examples of approaches to developing degree apprenticeships across institutions in the higher education sector.

Higher education policy institute

Making a success of employer sponsored education

In this [report](#) published yesterday hepi finds that employer-sponsored degrees are around six times cheaper for taxpayers. It argues that employer sponsored degrees provide an equivalent but, for many employers, more straightforward and established route than higher and degree apprenticeship schemes, whilst apprenticeships receive subsidies denied to employer sponsored degrees, and recommends that employer sponsored degrees should be promoted in schools and through the media; there should be funding parity between apprenticeships and employer sponsored degrees; LEPs should have a role in monitoring part-time higher education; the part-time premium should be reinstated to enable HEIs institutions to maintain provision, and that a consultation should be held to try to break down the level 3 to level 4 barrier, which should include a simplification of funding and regulatory regimes.

157 Group

Skills for work, skills for London

The 157 Group recently published this [report](#) looking at the potential for technical and professional education in London. It argues that the most effective way to ensure enough skills coverage at the right level for every sector is strong collaboration and an understandable pathway from entry level skills through to degree level. Local solutions, focused on levels 1 and 2, should be driven by sub-regions of London. The mayor should have accountability for levels 3 to 5, and at degree level, London should tap into the established national network of higher education institutions.



Pearson

National audit office

English devolution deals

The NAO has released this [report](#) which finds that the arrangements for the devolution deals currently in place are untested and government could do more to provide confidence that these deals will achieve the benefits intended. The report argues there are significant accountability implications arising from the deals which central government and local areas will need to develop and clarify. These include the details of how and when powers will be transferred to mayors and how they will be balanced against national parliamentary accountability. The deals agreed so far involve increasingly complex administrative and governance configurations. To improve the chances of success, and provide local areas and the public with greater clarity over the progression of devolution deals, central government should clarify the core purposes of devolution deals as well as who will be responsible and accountable for devolved services and functions, and should ensure it identifies and takes account of risks to devolution deals that arise from ongoing challenges to the financial sustainability of local public services.

Pearson

The latest on qualifications approved for 19+ funding

This week the DfE published the long-awaited [lists](#) of the technical and vocational qualifications for teaching from September 2016 and reporting in 2018 performance tables. The lists are of qualifications for reporting in the 2018 performance tables in the following categories: technical awards, technical certificates, tech levels, and applied general qualifications.

The lists are crucial for funding of course as all qualifications approved as technical certificates, tech levels, and applied generals will be automatically approved for 19-23 entitlement funding in 2016/17. Do check the lists for any BTEC Level 3 Nationals you are waiting for 19-23 funding confirmation for, for 2016/17, or wait for a special Funding News update early next week which will spell out in detail exactly which BTEC Level 3 Nationals (current and new) will be eligible for 19-23 entitlement funding in 2016/17.

A reminder that the current list of qualifications approved for the 2016/17 funding year for the 19-23 level 2 and 3 entitlement can be found [here](#) (third document down). At the time of writing this hasn't yet been updated following the DfE's announcements. More on how the SFA are approving qualifications for the 19-23 level 2 and 3 entitlement in 2016/17 can be found [here](#).

Steve Besley's Policy Watch

The latest from Steve Besley includes [Pocket Watch \(2016/5\) 'Young and ignored.'](#) The Lords report on [school to work transition - April 2016](#), and [Policy Eye - Highlights of week ending Friday 15 April 2016](#). See the latest from [Policy Watch](#) for these and more.

Siân Owen

Head of Stakeholder Engagement (Funding)
sian.owen1@pearson.com