



Pearson

Pearson UK – Funding News

20 May 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.

Funding News this week includes the HE White paper, and Higher Education and Research Bill, and the DfE Education for All Bill and a brief summary of other relevant bills announced in the Queen's Speech. We also include the latest news on when we might see the Sainsbury review, and the post-16 skills paper.

In qualification funding news the SFA has published an updated list of the qualifications eligible for 19-23 funding in 2016/17 which includes the qualifications approved in the 2018 16-18 performance tables, plus the BTEC QCF Diploma in Sport is also now approved for 19-23 funding in 2016/17 following a review by the SFA.

Government departments

- BIS: White paper, and Higher Education and Research Bill
- DfE: Education for All Bill
- Various: Other bills in the Queen's Speech
- BIS and DfE: Sainsbury review of technical and professional education, and the post-16 skills white paper
- BIS: Reminder re update on the apprenticeship levy how it will work
- BIS: Research into alternative providers of higher education, the market and students in 2014
- BIS and SFA: National achievement rates tables 2014/15

Funding agencies

- SFA: List of qualifications at level 2 and 3 in the legal entitlements updated
- SFA: Learner eligibility criteria expanding further for advanced learner loans, and applications for 2016/17
- SFA: Reminder, funding hub guidance, new 'categories' to identify qualifications eligible for funding
- SFA: Register of training organisations now open
- SFA: New skills funding service
- EFA: Colleges directly enrolling 14 to 16-year-olds for the first time
- EFA: High needs allocated place numbers

Pearson

- BTEC Level 3 Diploma in Sport (50067552) (QCF) (720 glh) now approved for 19-23 entitlement funding in 2016/17
- Reminder: How to find qualifications approved for adult funding in 2016/17
- Reminder: Pearson Funding Focus, a guide to traineeship funding and an update on apprenticeship funding
- Steve Besley's Policy Watch



Pearson

Government departments

BIS: White paper, and Higher Education and Research Bill

The higher education white paper: [Success as a Knowledge Economy](#) was published this week. The paper sets out a range of reforms to the higher education and research system. In some cases these plans are subject to new legislation set out in the [Higher Education and Research Bill](#), announced in the [Queen's Speech](#) and published this week alongside a number of [accompanying documents](#).

The [summary factsheet](#) outlines the key measures in the Bill which include: supporting a new system where it will be easier for new providers to start-up, achieve degree awarding powers and secure university status, giving the Office for Students (OfS) the power to operate a new Teaching Excellence Framework to introduce stronger incentives for universities to raise teaching quality and support students into employment, placing a duty on institutions to publish application, offer, acceptance and progression rates broken down by gender, ethnicity and socio-economic background in order to promote transparency by opening up data held by the sector, replacing Hefce and OFFA with a new market regulator, the OFS, strengthening the system of Access of Agreements that higher education providers must have if they are to charge tuition fees above £6000, and enabling the OfS to operate a risk-based approach to regulation.

The [impact assessment](#) summarises the cumulative effects of the policies and includes a table from page 4 of a summary of costs and benefits of key policies on impacted groups, and a forecast number of providers following the reforms from page 24.

DfE: Education for All Bill

In the [Queen's Speech](#) the Education for All bill was also announced which will include new laws to expand the academies programme in the poorest performing local authority areas, a new funding formula to deliver fair funding for every school and pupil in the country, and 'measures to make schools accountable for the provision and progress of excluded pupils so that those currently let down by the system are given an excellent education'.

Various: Other bills in the Queen's Speech

Other Bills of funding interest in the [Queen's Speech](#) include:

DCLG: Local Growth and Jobs Bill which aims to deliver 'the biggest change in local finance for decades'. Although not directly related to skills funding (which can already be devolved) it will give local authorities full control of the money they raise through business rates and includes a transfer of up to £13 billion to councils through allowing them to retain 100% of the business rates they collect, and new measures to allow combined authority mayors to levy business rate supplements in order to fund infrastructure projects where there is the support of local business.

HM Treasury: Soft Drinks Industry Levy the revenue from which will be used to double the primary school PE and sport premium from £160 million per year to £320 million per year from September 2017, provide up to £285 million a year to give 25% of secondary schools increased opportunity to extend their school day to offer a wider range of activities for pupils, including more sport, and provide £10 million funding a year to expand breakfast clubs in up to 1,600 schools starting from September 2017.

Cabinet Office: National Citizen Service Bill: which will see the expansion of the National Citizen Service so more young people can mix with people of other backgrounds, and learn what it means to serve their community. It will include a new statutory framework to deliver the programme, with a £1.2 billion cash injection, and a new duty on schools and local authorities to promote the scheme to all young people and their parents.

BIS and DfE: Sainsbury review of technical and professional education, and the post-16 skills white paper

The Sainsbury review of technical and professional education expected in mid-May but is not yet published. It should be published by 26 May, or, if not, after the EU Referendum. The post-16 skills white paper is expected in July.

BIS: Reminder re update on the apprenticeship levy how it will work

BIS published this [update](#) on the 21 April on the apprenticeship levy and how it will work. There are still many unanswered questions but the update explains more about how the levy will work and sets out the dates when more information will be available. The update includes information on paying the apprenticeship levy, accessing money paid under the apprenticeship levy, buying apprenticeship training, what you can spend apprenticeship funding on, eligibility for training, and when further information will be available. A Pearson Funding Focus is also available on apprenticeships funding which provides a brief update on the changes to apprenticeship funding.

BIS: Research into alternative providers of higher education, the market and students in 2014

BIS released this [research paper](#) this week which looks at alternative providers of higher education: the market and students in 2014, to better understand the market of alternative providers of higher education and their students. The study covers providers of level 4+ qualifications that do not receive recurrent Hefce funding, includes providers with courses designated as eligible for student loan support, and the wider population of providers without such designated courses.

It finds that the sector is in a state of flux and that it is not possible to establish whether/the extent to which the market is a growing or contracting one, that the student base of alternative providers tends to be more likely to be male, older, more likely to have a disability and more ethnically diverse than the wider HE sector, and has a relatively low level of prior academic achievement, that the majority of students were satisfied with their learning experience, but half would choose a different provider to study at if they were making their decision again today, and that the alternative provider sector covers a range of different types of organisation.

BIS and SFA: National achievement rates tables 2014/15

The SFA has published the [2014/15 apprenticeship and education and training national achievement rates tables](#). The tables replace the data for 2011/12 to 2013/14 published in 2015 and the data used is a cascade of the information first made available in the March 2016 statistical first release supplementary tables.

Funding agencies

SFA: List of qualifications at level 2 and 3 in the 19-23 legal entitlements

This week the SFA updated the [list of 19-23 entitlement qualifications at level 2 and 3](#). The list has been updated to include qualifications that have been automatically approved for 19-23 funding in 2016/17 because they are approved in 16-18 performance tables.



Pearson

SFA: Learner eligibility criteria expanding further for advanced learner loans, and applications for 2016/17

The eligibility criteria for learners applying for advanced learner loans will be expanded in 2016/17. Loans will now be available to anyone who has either spent at least half their life or at least 20 years in the UK before the first day of their course. To access a loan, learners will also need to demonstrate three years' ordinary lawful residence in the UK immediately preceding the start of their course (and meet other relevant eligibility criteria as set out in the SFA's [Advanced Learner Loans funding and performance management rules](#)).

This expansion is in addition to the expansion of the eligibility criteria for advanced learner loans to 19+ year-olds who already have a level 3 qualification (these learners are no longer co-funded but are eligible for loans) and to level 5 and 6 qualifications (previously only qualifications at level 3 and 4 were eligible). Again, see the SFA's [Advanced Learner Loans funding and performance management rules](#) for more.

The 2016/17 advanced learner loans [online application](#) for courses starting from 1 August 2016, will be available to eligible learners from Monday 16 May. Learners can only apply to colleges and providers that have returned their 2016/17 signed funding agreement to the SFA by the April deadline. Any agreements received after this deadline will be included in the next monthly update to the Student Loans Company.

SFA: Reminder, funding hub guidance, new 'categories' to identify qualifications eligible for funding

The SFA has produced this [updated guide](#) on the definitions and guidance for each category on the [funding hub](#). New categories have been introduced for 2016/17 which help colleges and providers identify qualifications eligible for funding:

- **Legal entitlement level 2:** shows the level 2 qualifications that can be fully funded for 19-23 year olds if they are studying for a first qualification at level 2. These qualifications are also available for local flexibilities where a 19-23 year old learner is not undertaking a first qualification at level 2, or if the learner is 24 years old or above.
- **Legal Entitlement level 3:** shows level 3 qualifications that can be fully-funded for 19-23 year olds if they are studying for a first qualification at level 3.
- **Legal Entitlement English and Maths:** shows English and maths qualifications and their components that are available as part of the English and maths entitlement.
- **Local Flexibility entry to level 2:** shows qualifications at entry to level 2 and their components which can be delivered as part of local flexibilities.

The guide also explains the categories already in place and these include work preparation and work placement (for traineeships), Tech Levels achieved in 2017, Early Years Educators (EYE) 2015/16, loans length for qualifications which are not EYE or Tech Levels which identifies the maximum length which applies when the learning aim is funded by a loan, Local Enterprise Partnership Initiatives, Trades Union Congress, 'Standalone' and Licence to Practise, and class codes.

SFA: Register of training organisations now open

The register of training organisations (the register) is now open for applications and will close at 5.00pm on Tuesday 31 May. This opening is for new applications and for those organisations that are required to enter the register, as detailed in the [SFA's Funding Rules 2015/16](#) (paragraphs 4 and 24). For further information please refer to the SFA's [register webpage](#).



Pearson

SFA: New skills funding service

The SFA will introduce a new [skills funding service \(SFS\)](#) for colleges and providers, which allows contracts and payments to be viewed and accepted digitally. The new service has been used for ESF contracts and is now being extended for: Adult Skills Budget 2015/16 contract variations, Adult Education Budget 2016/17 contracts, 16-18 apprenticeships/traineeships 2015/16 contract variations and 2016/17 contracts, Advanced Learner (24+) Loans 2015/16 contract variations and 2016/17 contracts, and AGE 2015/16 contract variations and 2016/17 contracts. To ensure access to contracts for these programmes colleges and providers will need to ensure staff register for the contract authoriser role in the Hub role management system by 31 May and the SFA will shortly be contacting colleges' and providers' contract authorisers with more information about accessing the new SFS.

EFA: Colleges directly enrolling 14 to 16-year-olds for the first time

Colleges considering the direct enrolment of 14 to 16-year-olds for the first time in the 2016 to 2017 academic year are advised by the EFA to read the [programme requirements and advice](#) and submit their expressions of interest by 30 June 2016. The programme eligibility requirements for 2016/17 remain unchanged. Any expressions of interest in 2016/17 delivery from colleges will be considered on a case by case basis, and should be submitted via the SFA's [online contact form](#).

EFA: High needs allocated place numbers

The EFA has published the number of [high needs places for the 2016 to 2017 academic year](#). The EFA make this information available in the interests of transparency and to promote collaboration between local authorities and institutions.

Pearson

BTEC Level 3 Diploma in Sport (50067552) (QCF) (720 glh) now approved for 19-23 entitlement funding in 2016/17

The Pearson BTEC Level Diploma in Sport (50067552) (720 glh) is now approved for 19-23 entitlement funding in 2016/17 and is on the updated [list](#) of qualifications published by the SFA. The qualification was not on the original list published in March but following a review by the SFA at Pearson's request they agreed to include the qualification as there is no new qualification available from Pearson with similar content. See the section below for details on all qualifications approved for adult funding in 2016/17.

Reminder: How to find qualifications approved for adult funding in 2016/17

Qualifications approved for the 19+ English and maths entitlement 2016/17

- The SFA's list of qualifications approved for the 19+ English and maths entitlement in 2016/17 can be found [here](#) (fourth document down). These are also showing on the [funding hub](#).
- More on how the SFA approve qualifications for this entitlement can be found [here](#).

Qualifications approved for the 19-23 level 2 and 3 entitlement 2016/17

- The SFA's updated list of qualifications approved for the 19-23 level 2 and 3 entitlement in 2016/17 can be found [here](#) (third document down). The list also now includes the BTEC Nationals recently approved by the DfE for 2018 16-18 performance tables which are automatically approved for the 19-23 level 2 and 3 entitlement.



Pearson

- An updated Pearson Funding Focus will shortly be available on the [Pearson funding website](#) which shows which BTEC Firsts and Nationals are approved for 19-23 entitlement funding in 2016/17. The update includes corrections to the original document.
- More on how the SFA approve qualifications for this entitlement can be found [here](#).

Qualifications approved for local flexibility funding 2016/17

- The SFA are not producing a list of qualifications eligible for local flexibility funding in 2016/17; these qualifications will be confirmed for funding just on the [funding hub](#).
- More on how the SFA approve qualifications for local flexibility funding can be found [here](#).

Qualifications approved for loan funding 2015/16 and 2016/17

- The SFA updated the [advanced learner loans catalogue](#) on 26 April which lists qualifications approved for advanced learner loans in 2015/16 and 2016/17. These are also showing on the [funding hub](#).
- The process of approving qualifications for advanced learner loan funding has now been separated from the process for approving qualifications for 19-23 entitlement funding. It means awarding organisations can now make submissions for qualifications to be made eligible for advanced learners loans even where they do not now meet the 19-23 entitlement funding criteria.
- If you are looking to offer a qualification through loan funding which is not on the catalogue do get in touch (funding@pearson.com). We will review any requests and make a submission if the qualification is eligible. Qualifications need to be 150 glh or 15 credits to be eligible.
- More on how the SFA approve qualifications loan funding can be found [here](#).

'Do read' document from the SFA

The document published by the SFA on the 28 January, [Adult Education Budget January 2016 Changing Context and Arrangements for 2016/17](#), provides a crucial outline of the changes the SFA plans to make to the adult skills system with the creation of the education budget following the publication of the Skills Funding Letter. It includes information on the move to full devolution and the new funding streams.

Reminder: Pearson Funding Focus, a guide to traineeship funding and an update on apprenticeship funding

Two new funding guides are available on the [Pearson funding website](#).

- [Funding Focus - Apprenticeships funding - An update](#) includes an overview of changes, who will pay the levy and how, information we are still waiting for and when it will be available, links to further information, and a summary table of the changes.
- [Funding Focus - Traineeships - A summary of the funding rules 2016 17](#) includes the overarching funding rules for all ages (16-24), provider eligibility and Ofsted, links to further information, and a summary table of the EFA and the SFA funding rules.

Steve Besley's Policy Watch

The latest from Steve Besley includes [Policy Eye - Highlights of week ending Friday 13 May 2016](#). See the latest from [Policy Watch](#) for these and more.

Siân Owen

Head of Stakeholder Engagement (Funding)

sian.owen1@pearson.com

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