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## Pearson UK – Funding News

14 October 2016

*Funding News provides a regular round-up of 16-19, 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 captures the national minimum wage for apprentices and workers under the age of 25, which increased on the 1 October 2016, and includes a reminder that the register of training organisations for new applications will close today. We also bring a reminder that the SFA have temporarily suspended growth requests for advanced learner loans. In apprenticeship news a statement made in the Public Accounts Committee this week suggests the DfE are re-thinking funding rates for some 16-18 apprenticeships from May 2017, and the SFA has released updated guidance on the register of apprentice assessment organisations. We also bring a reminder that the register of apprenticeship training providers has not opened as yet; it was originally planned to be open for applications on 3 October.

### National minimum wage increases

- National minimum wage rate for apprentices and under 25s increased

### Adult funding

- Register of training organisations for new applications closes today
- Advanced learner loans: temporary suspension of growth requests

### Apprenticeships

- Potential re-think of apprenticeship funding rates for disadvantaged 16-18 year-olds from May 2017
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## National minimum wage increases

### National minimum wage rate for apprentices and under 25s increased

On 1 October 2016, the [national minimum wage](#) for apprentices, and workers under the age of 25, increased. The hourly rate for the minimum wage depends on your age **and** whether an individual is an apprentice. An individual must be at least school leaving age to receive the national minimum wage, and aged 25 to get the national living wage. National minimum wage rates change every October. National living wage rates change every April.

The **apprentice rate** applies to apprentices under the age of 19, or those over 19 and in the first year of their apprenticeship. After their first year, apprentices under the age of 19 must be paid at least the minimum wage rate appropriate to their age (including the national living wage if they are aged 25 or over).

From October 2016 the rates for the national living wage and the national minimum wage are:

Year	25 and over	21 to 24	18 to 20	Under 18	Apprentice
October 2016	£7.20	£6.95	£5.55	£4.00	£3.40
April to October 2016	£7.20	£6.70	£5.30	£3.87	£3.30

Previous national minimum wage rates before the national living wage was introduced for those over 25 were:

Year	21 and over	18 to 20	Under 18	Apprentice
2015	£6.70	£5.30	£3.87	£3.30
2014	£6.50	£5.13	£3.79	£2.73
2013	£6.31	£5.03	£3.72	£2.68
2012	£6.19	£4.98	£3.68	£2.65
2011	£6.08	£4.98	£3.68	£2.60
2010	£5.93	£4.92	£3.64	£2.50

## Adult funding

### Register of training organisations for new applications closes today

The [register of training organisations](#) (ROTO) opened for applications on Friday 30 September and will close today (Friday 14 October). The process is not a full refresh but open for new applications for organisations required to enter the register as detailed in the [SFA's common and performance management funding rules 2016/17](#) (paragraphs A43 and A53 – i.e. for organisations that intend to deliver education and training services or operate in a supply chain as a subcontractor with an aggregated contract value of £100,000 or more) and those interested in future procurement opportunities, including the adult education budget, but excluding apprenticeships. No action is needed by organisations already on the register.



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## Advanced learner loans: temporary suspension of growth requests

The SFA report that they have seen an increase of over 25% in loan applications compared to this time last year and so are undertaking a review of the approach to managing loans facilities and will change the way providers apply for growth to their loans facility. They will process existing growth requests as soon as possible but from Wednesday 28 September the SFA will not accept any new growth requests until the new approach is in place in autumn. Changes will be confirmed in an update to the [Advanced learner loans funding and performance-management rules 2016/17](#).

The SFA will 'seek to align the loans programme within the government's broader priorities' to support medium and higher level technical skills, as set out in the [Post-16 skills plan](#) and Sainsbury review and encourage providers to consider this as part of any plans to grow their loans facility.

## Apprenticeships

### Potential re-think of apprenticeship funding rates for disadvantaged 16-18 year-olds from May 2017

In the [Public Accounts Committee session](#) held this week Jonathan Slater, permanent secretary to the DfE, said in response to a question about the impact of proposed reforms from May 2017, that getting the funding rate correct for young people from deprived areas 'is one of the most active debates we've been working through' and that 'we're doing our best to get that right'. He added this issue was "a very strong point that's been made during the consultation phase and how we get that right is one of the most active debates we've been working through". A [report](#) in FE Week provides more detail.

The [Proposals for apprenticeship funding from May 2017](#) were published on the 12 October and included proposed funding bands for individual apprenticeship frameworks, and proposed funding bands for individual apprenticeship standards. The survey on the proposals closed on the 5 September and the final funding information is expected this month.

Three Pearson Funding Focus documents are available which help explain the proposals:

- [Funding Focus – Apprenticeship funding after April 2017](#) summarises the funding proposals and Annex A looks at the proposed new funding bands for apprenticeships.
- [Funding Focus – Proposed allocation of frameworks and standards to new funding bands from May 2017](#) provides a full list of the new proposed funding bands frameworks and standards have been allocated to.
- [Funding Focus – Comparing proposals for new apprenticeship funding from May 2017, with existing funding](#) looks at the proposals for funding from May 2017 and gives four examples of comparisons with current funding. The purpose is to show how you might go about comparing funding apprenticeships will attract in the proposed new system, with existing funding.

## Guidance on the register of apprentice assessment organisations

On Wednesday this week the SFA published updated [information on the register of apprentice assessment organisations](#) for employers seeking an independent end-point assessment (EPA) organisation, and for potential applicants to the register:

- Introduction to the register (slides)
- Register of apprentice assessment organizations: introduction (document)
- Register of apprentice assessment organisations



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- Register of apprentice assessment organizations: list of standards for application

All apprenticeship standards must contain an EPA and an independent organisation must be involved. The register of apprentice assessment organisations is a list of organisations that have been assessed as being suitable to conduct independent EPA. Employers will select an organisation from the register. The register is regularly updated as more organisations successfully apply.

Pearson is currently approved to offer EPA for 13 standards and are regularly making applications for other sectors in which we intend to offer EPA.

Employers involved in the delivery of an approved apprenticeship standard can ask an organisation on the register for more information about the service they offer but they can also ask the SFA about an EPA organisation's application to help them choose an organisation by emailing [apprenticeassessment@sfa.bis.gov.uk](mailto:apprenticeassessment@sfa.bis.gov.uk).

## **Register of apprenticeship training providers: delay**

In August, the SFA published proposals for the new [register of apprenticeship training providers](#) (RoATP) and invited feedback on the proposals (with a deadline of 5 September). The intention was to open the register for applications on Monday 3 October. However, following feedback, the SFA are revising the original proposals and the opening of the new register will be delayed. The revised timetable will be announced shortly. The original timetable was as follows:

- 3 October 2016: RoATP open for applications.
- 4 November 2016: Date providers needed to complete applications by in order to be in first selection of assured providers.
- February 2017: First edition of RoATP published.
- October 2016: Applications invited for apprenticeship delivery for non-levied employers. It is expected that this will be a one-off procurement but if gaps in the market emerge the SFA may need to procure again.
- March 2017: Successful organisations applying for apprenticeship delivery for non-levied employers told outcome.

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### **Policy and funding updates**

The latest policy updates from Steve Besley include (see [Pearson Policy Watch](#) for these and more):

- [Policy Eye - Highlights of week ending Friday 7 October 2016](#)
- [Policy Eye - Highlights of week ending Friday 30 September 2016](#)

The latest Funding Focus guides include (see [Pearson Funding News](#) for these and more):

- [Funding Focus – Finding qualifications approved for the unemployed on the funding hub](#)
- [Funding Focus – Funding for Pearson International GCSEs in 2016/17](#)
- [Funding Focus – Comparing proposals for new apprenticeship funding from May 2017, with existing funding](#)
- [Funding Focus – Apprenticeship funding after April 2017](#)
- [Funding Focus – Proposed allocation of frameworks and standards to new funding bands from May 2017](#)



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- [Funding Focus – Proposals for a Register of Apprenticeship Training Providers, and Guidance for employers wanting to become apprenticeship providers](#)
- [Funding Focus – Apprenticeship levy](#)
- [Funding Focus – Adult funding – Overview, and where to find out more](#)
- [Funding Focus – Advanced learner loans – Where to find out more](#)

## Pearson webinars on apprenticeship developments: recordings and materials

Pearson recently ran a series of webinars on apprenticeships to help colleges, training providers and employers understand the developments and you can now find all the recordings of and materials from the events [here](#). The series covers:

**Insight webinar series for apprenticeships**  
#4. A new approach to apprenticeship funding

[» Register now - free](#)

- New apprenticeships, the story so far
- New standards, new delivery challenges
- Targeting and winning employer clients
- A new approach to apprenticeship funding

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