



Pearson

Pearson UK – Funding News

28 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 brings you news of the technical and further education bill published this week, and letters to FE and sixth-form colleges from both Robert Halfon, Minister for Apprenticeships and Skills, and the Further Education Commissioner with updates on skills policy and area reviews. We also bring you the key news published this week on apprenticeship funding, the levy, and the register of training apprenticeship providers (RoATP) (which is now open). Lastly, we include two reports which may be of interest, the manufacturer's organisation's Skills Report 2016, and the British Chambers of Commerce Autumn statement submission, and the usual updates from Pearson including a reminder about how to find qualifications funded for the unemployed on the funding hub.

Post-16 funding

- Technical and further education bill
- Further education: letters to FE and sixth-form colleges

Apprenticeship funding

- Information and guidance published on funding, the levy, the register of apprenticeship training providers, and procurement exercise for delivery of apprenticeship training to non-levy paying employers

EEF, The manufacturer's organisation

- Skills Report 2016: An up-skill battle

British Chambers of Commerce

- Autumn statement submission 2016

Pearson

- Pearson legacy English and maths GCSEs in apprenticeships confirmed on the funding hub
- Policy and funding updates
- A reminder: finding qualifications funded for the unemployed on the funding hub
- Pearson webinars on apprenticeship developments: recordings and materials



Pearson

Post-16 funding

Technical and further education bill

The government published the [Technical and Further Education Bill](#) yesterday together with accompanying [press release](#), [explanatory notes](#), [factsheet](#) and [impact assessment](#) (and all [here](#) for easy access). The measures focus on taking forward government reforms to post-16 technical education by supporting the implementation of the [Post-16 Skills Plan](#), published in July 2016, which accepted the recommendations made by the [Independent Panel on Technical Education](#), headed by Lord Sainsbury.

The bill sets out provisions to:

- Extend the remit of the Institute to cover college-based technical education in addition to apprenticeships and rename it the Institute for Apprenticeships and Technical Education.
- Give the Institute the power to certificate each of the fifteen routes and to charge for doing so.
- Give the Institute wide-ranging autonomy for ensuring that employers agree the content of both apprenticeships and college-based technical education.
- Allow the Institute to help regulate the quality of apprenticeship standards and assessment plans.
- Allow the Secretary of State to retain strategic oversight of the technical education reforms and have responsibility for the overall national system.
- Establish an insolvency framework for FE and sixth form colleges to protect students.
- Ensure that after devolution of further education functions (and the adult education budget) to a combined authority, FE providers and others will continue to submit relevant information to the SoS.

Further education: letters to FE and sixth-form colleges

At the end of last week both Robert Halfon, Minister for Apprenticeships and Skills, and the Further Education Commissioner wrote to chairs of FE and sixth-form colleges as part of the [regular update](#) on policy developments in the sector.

The Further Education Commissioner wrote with an update about [area reviews](#): 'It is possible to project ... what the end result may be, given the outcomes to date. Upwards of 50 fewer GFE colleges than before, the academisation of a significant proportion of sixth form colleges and an annual reduction in costs of between £250 million and £500 million as colleges present their plans for a 3 - 5% annual cash surplus - a significant sum to invest in the higher level skills that the country needs.'

Robert Halfon MP wrote with a (now regular) update on the [FE reform programme](#). This regular update serves as a useful brief on the key policy and funding changes in FE. The letter spells out priorities and the direction of travel and the accompanying policy brief, 'Implementing the further education and skills reform programme' gives a little more detail on specific areas as FE and skills funding, apprenticeships, participation and young people not in education employment or training, technical education, social mobility, advanced learner loan, and devolution.

Apprenticeship funding

Information and guidance on apprenticeship funding, the levy, the register and procurement exercise, and the opening of the register

The final information and guidance on funding, the levy, detailed funding rules, and the register of training apprenticeship providers (RoATP) was published this week.



Pearson

The RoATP is now open for business after a delay to its opening which was originally planned for 3 October. The SFA has also announced the details of the procurement exercise they are running for the delivery of apprenticeship training to employers that will not use a digital account to pay for apprenticeship training.

Colleagues may also be interested in the SFA webinars available for stakeholders on the latest information on the funding reforms (link below). One was held this morning, and the next will be held on November 18th at 10-11am. Further dates will be announced.

We bring you a summary of the key announcements and all the links to the new information and guidance, and to other information that may be of use, below. We will be producing quick guides and updating existing guides to help explain this new information and these will be available in next week's Funding News.

Summary of key funding and levy proposals confirmed, and new announcements

Confirmed

- Government and employer contribution for non-levy payers: 90% contribution from government to the cost of training for employers that will not pay the levy.
- 16-18 year-olds: additional £1,000 paid to employer and £1,000 to provider.
- Disadvantaged 19-24 year-old care leavers or with an LA EHC plan: additional £1,000 paid to employer and £1,000 to provider.
- Small employer contribution (< 50): 100% contribution from government to the cost of training for small employers that will not pay the levy and who take on apprentices who are 16-18, 19-24 year old care leavers or with an Education and Health Care Plan (EHC plan).
- English and maths: Flat rate of £471 for each subject to provider.
- Prior qualifications: employers can use levy funds /access co-investment to train individuals on apprenticeship at same or lower level than a qualification they already hold, if this allows the individual to acquire substantive new skills and the content of the training is materially different from any prior training or a previous apprenticeship.
- Transfer of digital funds: A commitment to introducing the ability for employers to transfer digital funds to other employers in their supply chains, sector or to Apprenticeship Training Agencies in 2018, with a new employer group to help government develop this system so that it works for employers.

New

- Higher funding bands for some STEM apprenticeship frameworks and apprenticeship standards: the original funding bands set in August 2016 have been increased for some STEM frameworks, and for some standards.
- 16-18 year-olds on frameworks: additional 20% of funding band maximum will be paid to the provider. This is a transitional measure and will be kept under review and reduced as more apprenticeship starts are on new standards.
- 19-24 year-old care leavers or with an LA EHC plan on frameworks: additional 20% of funding band maximum will be paid to the provider. This is a transitional measure and will be kept under review and reduced as more apprenticeship starts are on new standards.
- All disadvantaged learners: additional £600 for those on framework living in top 10% of deprived areas (as per IMD), £300 for those living in next 10%, £200 for those living in next 7%. In place for the first year and will be kept under review to 'ensure equal opportunity to all, regardless of circumstances'.
- Longer period of time for employers to spend funds in their digital account: 24 months, up from 18.



Pearson

Register of apprenticeship training providers (RoATP)

- Amended guidance on how to apply to the register of apprenticeship training providers has been published, and the new register is now open for business.
- The new register opened for applications on 25 October 2016. The first selection of assured providers will be drawn from those who complete applications by 5.00pm on 25 November 2016.
- The SFA is running a procurement exercise for delivery of apprenticeship training to employers that will not use a digital account to pay for apprenticeship training. Organisations interested in applying for this must apply to the RoATP main application route and complete the invitation to tender for the procurement. Both the RoATP application and invitation to tender must be submitted by 5.00pm on 25 November 2016, and for those successful in the procurement, contracts will begin on 1 May 2017 and end on 31 July 2018.

Links to the new information and guidance, and other information

Overview

- Justine Greening's (Secretary of State for Education and Minister for Women and Equalities) [written ministerial statement](#) on supporting apprenticeships.
- [Press release](#): New apprenticeship funding to transform investment in skills

Funding, and the levy

- [Apprenticeship funding from May 2017](#): How apprenticeship funding for employers will work, including details of funding bands and the apprenticeship levy:
 - Apprenticeship frameworks: funding bands from May 2017
 - Apprenticeship standards: funding bands from May 2017
- [Apprenticeship funding: how it will work](#): Details of how employers will be affected by the apprenticeship funding system introduced from May 2017.
- [A revised apprenticeship funding calculator](#): to help employers understand what levy they will pay and how they could use the new digital service to plan and fund training.
- [Apprenticeship funding and performance management rules 2017 to 2018](#): The draft rules that will apply to all apprenticeship provision funded by the SFA following the introduction of the apprenticeship levy including:
 - Rules and guidance for levy-paying employers
 - Draft rules for employer-providers
 - Draft rules for training providers
 - Draft apprenticeship performance management rules 2017 to 2018

Register of apprenticeship training providers (RoATP)

- [Register of apprenticeship training providers](#): This series brings together documents relating to becoming an apprenticeship training provider.
 - [Register of apprenticeship training providers](#): policy information setting out the policy for apprenticeship training providers in England from May 2017.
 - [Register of apprenticeship training providers](#): application instructions
 - [Register of apprenticeship training providers](#): e-tendering portal guidance



Pearson

Apprenticeship training delivery to employers that will not use a digital account

- [Register of apprenticeship training providers](#): This series brings together documents relating to becoming an apprenticeship training provider. It explains the procurement exercise the SFA is running for the delivery of apprenticeship training to employers that will not use a digital account to pay for apprenticeship training.

SFA webinars

- The SFA are running [webinars](#) for stakeholders on the latest information on the funding reforms (covering the same areas as the recent SFA employer events and webinars).

Also available

- [Research and analysis, The apprenticeship levy: how will employers respond?](#): research into how employers are likely to react to the introduction of the apprenticeship levy.
- [Research and analysis, Apprenticeships for 16- to 18-year-olds: the cost of providing](#): report comparing the cost of providing apprenticeships for young people aged 16 to 18 compared to those aged 19 and over. The research also looks into the amount these costs vary for different providers and employers.
- [Impact assessment: Apprenticeship funding from May 2017: equality analysis](#): analysis of the effect that the apprenticeship funding system being introduced in May 2017 will have on specific protected groups.
- [Apprenticeship evaluation 2015: learner and employer surveys](#): Results from the 2015 survey into the views and experiences of both employers and learners involved in apprenticeships.
- [SFA Digital blog](#): to help people keep up to date with the development of the Digital Apprenticeship Service (DAS).

EEF, The manufacturer's organisation

[Skills Report 2016: An up-skill battle](#)

EEF recently released this report [arguing](#) that manufacturers' plans to drive productivity improvements could be derailed because the UK is struggling to provide the right quantity and quality of skills to meet the sector's needs. The report cautions that the challenges of finding, funding, retaining and retraining skilled workers are all likely to increase from 2016 onwards and that many employers' proactive plans may be pared back as they feel the bite of the additional costs imposed through government policy. The report makes 10 key recommendations to government, six calls to action for manufacturers and six recommendations that the levy must deliver on: 1) Manufacturers must be able to draw down sufficient funding to cover the true cost of training 2) Voucher transferability must work effectively, and not impact on quality 3) Basic English and maths should continue to be funded by the state 4) The maintenance and administration of the levy and new digital system must not be paid for by employers 5) The levy and digital system must be frictionless; simple to use for employers of all sizes 6) Employers must have certainty and predictability of their levy contribution and draw-down funding over time.



Pearson

British Chambers of Commerce

Autumn statement submission 2016

Last week we brought you the AoC's Autumn Statement submission and this week we bring you the recently published [submission from the British Chambers of Commerce](#) (BCC). It proposes seven key measures including 'Improving the implementation of the Apprenticeship Levy'. The BCC recommend that levy-paying businesses should be able to support high-quality workplace and vocational training, in addition to apprenticeships with the payments made by the levy.

Pearson

Pearson legacy English and maths GCSEs in apprenticeships

We highlighted in last week's news that we had had a number of queries about the legacy GCSEs qualifications as they were not yet showing on the funding hub as eligible for apprenticeship funding in 2016/17. These qualifications were updated on the funding hub this week. These GCSEs were extended following the ruling by Ofqual and [agreement](#) by the funding agencies to fund them for one further year for certain learners, including apprenticeship learners.

- 50079165 GCSE in Mathematics A
- 50078860 GCSE in Mathematics B
- 60131573 GCSE in English
- 60131585 GCSE in English Language

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 14 October 2016](#)

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

- [Adult funding – Overview, and where to find out more](#)
- [Advanced learner loans – Where to find out more](#)

A reminder: finding qualifications funded for the unemployed on the funding hub

We wanted to remind colleagues that in 2016/17 the section of the funding hub which used to show qualifications approved for funding for the unemployed is no longer in use. There is a new way to check if a qualification is eligible for funding for the unemployed in 2016/17. This [Funding Focus](#) explains 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 latest developments. You can now find all the recordings of and materials from the events [here](#). The series covers 1) New apprenticeships, the story so far, 2) New standards, new delivery challenges, 3) Targeting and winning employer clients, and 4) A new approach to funding.

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.