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Pearson UK – Funding News

11 November 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.

In Funding News this week the EFA has published information on the carry-over of funding for free meals in further education, and on the schools block allocations and post-16 allocations, and Hefce has published the list of universities and colleges that have benefitted from the £4.5m fund to develop degree apprenticeships. Two apprenticeship reports have been published by think tanks this week; one by IPPR which argues that level 2 apprenticeships for 16-18 learners should be scrapped and replaced with pre-apprenticeship programmes, and one by Policy Exchange which concludes that whilst some apprenticeships are world class, too many of the new Apprenticeships are below par in quality or structure, and a far stronger focus on quality is needed to ensure the apprenticeship reform programme is a success.

We include a reminder of the updated and collated the information we brought you last week which provides a quick summary guide to all the latest apprenticeship news, plus the Pearson summaries are now all available on the Pearson funding website. The updated links section includes a new apprenticeship technical funding guide for starts from May 2017.

Lastly, we bring you the usual roundup of the latest policy and funding briefings from Pearson.

16-19 funding

- Free meals in further education 2016/17: carry-over of funds
- Schools block funding allocations 2016/17

Apprenticeship funding

- Updated and collated: your quick summary guide to all the latest apprenticeship news

Hefce

- £4.5 million fund awarded to universities and colleges to develop degree apprenticeships

Policy Exchange

- The skills we need, and why we don't have them: How apprenticeships should be reformed to make the UK compete on the global stage

IPPR

- Earning and learning: Making the apprenticeship system work for 16–18-year-olds

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- Policy and funding updates



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16-19 funding

[Free meals in further education 2016/17: carry-over of funds](#)

The EFA has updated the updated the [free meals in further education guide](#) for 2016/17. The revised guide provides additional information on the carry-over of free meals funds from previous academic years and provides clarification on what carry-over funds can and can't be used for.

[Schools block funding allocations 2016/17](#)

The EFA has published the [schools block funding allocations](#) to each individual mainstream maintained school (for financial year 2016/17) and academy (for academic year 2016/17) under [local authorities' funding formulae for the funding year 2016/17](#) and the [post-16 allocations](#) for individual schools, academies and FE institutions funded by EFA for 16-19 year olds and 19-25 year olds with an education, health and care (EHC) plan. The EFA publish the data sets to give a more complete picture of education funding by showing how EFA has allocated £5.9 billion (post-16) and £32 billion (schools block funding) of public funds.

Apprenticeship funding

[Updated and collated: your quick summary guide to all the latest apprenticeship news](#)

Last week we brought you the latest information on apprenticeship funding, the levy, detailed funding rules, and the register of training apprenticeship providers (RoATP). We have updated this section of Funding News and included new information published this week (including the news items above), Pearson summaries, and relevant links, so everything is available in one place. The information covers:

- Summary of key funding and levy proposals confirmed, and new announcements
- Register of apprenticeship training providers (RoATP)
- SFA webinars on the reforms
- Guidance on the register of apprentice assessment organisations, and new programme to tackle the shortage of end-point assessors
- Support for higher education providers applying to deliver degree apprenticeships after May 2017
- Links to further information
- Pearson summaries

[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.



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- 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.

Links

- [Apprenticeship funding from May 2017](#): How apprenticeship funding for employers will work, including details of funding bands and the apprenticeship levy.
- **NEW** [Apprenticeship technical funding guide for starts from May 2017](#): Sets out the technical details of the funding system used to fund apprenticeship frameworks and standards starting on or after 1 May 2017.
- [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.
- [Apprenticeship funding: how it will work \(the levy\)](#): 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.
- [SFA Digital blog](#): to help people keep up to date with the development of the Digital Apprenticeship Service (DAS).

Register of apprenticeship training providers (RoATP)

The RoATP opened for applications on 25 October 2016 after a delay to its opening which was originally planned for 3 October. The first selection of assured providers will be drawn from those who complete applications by 5.00pm on 25 November 2016.

The information also includes details of the procurement exercise the SFA are running for the 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



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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.

- [Working with the SFA as an apprenticeship training provider](#): Information for all providers who wish to offer apprenticeship training in England from May 2017 including existing providers as well as organisations that might wish to enter the apprenticeship training market.
- [Register of apprenticeship training providers](#): This series brings together guidance on how to apply to the register of apprenticeship training providers (RoATP).
- The [apprenticeship employer-provider guide](#): Explains what employers need to do to become an apprenticeship training provider.
- SFA presentations on YouTube to provide information and guidance: [register of apprenticeship training providers](#), and [invitation to tender: apprenticeship training delivery for employers without a digital account](#).

SFA webinars on the reforms

Colleagues may also be interested in the SFA [webinars](#) available for stakeholders on the latest information on the funding reforms (link below). They are being held on Friday 11 November, 10:00 - 11:00, Friday 2 December, 10:00 - 11:00, and Thursday 15 December, 10:00 - 11:00.

Guidance on the register of apprentice assessment organisations, and new programme to tackle the shortage of end-point assessors

- [Register of apprentice assessment organisations, overview](#): information on the new register of apprentice assessment organisations for employers seeking an independent end-point assessment (EPA) organisation, and for potential applicants to the register.
- [New programme to tackle shortage of end-point assessors](#): funded by the DfE and commissioned by the ETF, with the aim of improving capacity to deliver independent EPAs in apprenticeships.

Support for higher education providers applying to deliver degree apprenticeships after May 2017

- [Hefce and UVAC support for the higher education sector applying to deliver degree apprenticeships](#): webinars and sessions designed to help institutions draft their applications: following the announcement from the SFA about the new [register of apprenticeship training providers](#), the [information and guidance about working as an apprentice training provider](#), and the invitation to tender for funding to deliver degree apprenticeships to non-levy-paying employers.

Links to further information

- 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.
- [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 16-18 year-olds 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 the new apprenticeship funding system will have on specific protected groups.



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- [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.

Pearson summaries

The updated Pearson summaries are now all available on [Pearson Funding News](#):

- [161102 Funding Focus – Apprenticeship funding from May 2017](#)
- [161104 Funding Focus – Confirmed allocation of frameworks and standards to new funding bands from May 2017](#)
- [161103 Funding Focus – Comparing existing apprenticeship funding with new apprenticeship funding from May 2017](#)
- [161103 Funding Focus – The Apprenticeship levy from April 2017](#)
- [161111 Funding Focus – The new register of apprenticeship training providers \(RoATP\)](#)

Hefce

[£4.5 million fund awarded to universities and colleges to develop degree apprenticeships](#)

Universities and colleges across England have been awarded a total of £4.5 million to develop new degree apprenticeships for students starting in September 2017. Working in partnership with employers, the universities and colleges will offer 5,200 new opportunities for apprentices and their employers in preparation for the introduction of the apprenticeship levy in April 2017. The eighteen successful projects, chosen from 70 bids, have been awarded funding from Hefce in the first round of a two-year programme.

IPPR

[Earning and learning: Making the apprenticeship system work for 16–18-year-olds](#)

On Thursday this week IPPR published this report which looks at the apprenticeship system for 16–18-year-olds arguing that boosting social mobility in Britain requires better education-to-work transitions for young people who have low qualifications. The report recommends that government introduce a new, distinct pre-apprenticeship programme for 16–18-year-olds, phase out level 2 apprenticeships for 16–18-year-olds, and replace them with a distinct pre-apprenticeship programme. The pre-apprenticeship programme could evolve out of the existing system, but be designed to address explicitly the distinct needs of younger learners. The authors make 6 key recommendations:

- Pre-apprenticeships would contain more off-the-job training.
- Pre-apprenticeships would result in a transferable qualification.
- Employers would be subsidised for hiring ‘pre-apprentices’ – giving them a clear financial incentive to take part in the programme.
- There would be one ‘pre-apprenticeship’ programme for each of the 15 technical pathways identified by the Sainsbury review.
- Pre-apprenticeship programmes would only be offered by FE colleges or not-for-profit TPs.
- Pre-apprenticeships would be explicitly designed to help young people move onto a full level 3 apprenticeship at age 18 or 19.



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Mark Dawe responded to the proposals in [FE Week](#) arguing that the real problem is not that employers do not want to give 16-18-year-olds apprenticeship places, but that schools won't promote them and government won't fund them.

Policy Exchange

[The skills we need, and why we don't have them: How apprenticeships should be reformed to make the UK compete on the global stage](#)

This morning Policy Exchange also published a [report](#) on apprenticeships arguing that government has focused too much on numbers and too little on quality and that apprenticeships will not deliver their full potential unless there is a stronger focus on quality. The authors urges policymakers to put in place a new top level target focused on driving up standards of apprenticeships to match the best in the world, alongside the government's existing manifesto pledge to create 3 million new apprenticeships by 2020. It says that of the £2.5bn that the levy is expected to bring in annually by 2020, £500m will be spent on apprenticeships which are not in line with a traditional definition of an apprenticeship. The report makes 11 key recommendations:

Part 1 Set a clear goal for the apprenticeship programme based on international best practice - and which is not about number of apprenticeships taken up:

- Move away from the 3 million target for apprenticeship starts being the sole metric of success of the apprenticeships programme, by setting a new system goal which focuses on quality.
- Introduce a new definition of apprenticeship building on international best practice and use this as a legal definition through which to assess all current standards when they are proposed or renewed.
- Government should set a series of clear and measurable aims for the apprenticeship programme which are used as a way to implement the twin goals of the programme and to drive allocation of resources and priorities.

Part 2 – Redefine all existing and upcoming apprenticeship standards to focus unequivocally on quality:

- All newly approved and reapproved standards should have to include evidence that they are focused on skilled occupations.
- All newly approved and reapproved standards should have to include a training plan to ensure that there is some baseline consistency around, time allocations, off the job training and qualifications delivered within it.
- Require the inclusion of genuine 'end-point assessments'
- Add a new gateway for Ofqual to inspect all new assessment tools and to accredit all Apprenticeship assessment organisations.

Part 3 – Design a delivery infrastructure and funding model that supports apprenticeships and wider high quality technical education qualifications:

- The IfA should become the voice of technical education for all post 16 learning.
- Trailblazer groups should be converted into 'Technical Education Councils' (TECs) sitting underneath the IFATE and following from the pathways set out by the Sainsbury Review.
- Funds from the apprenticeship levy should sit in a separate, hypothecated fund under the remit of the IFATE and the IFATE should consider whether it can be distributed on a sectoral basis.
- State funding for technical education should be widened to incorporate approved higher level classroom based qualifications, funded by loans and with a lifetime allocation.



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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 4 November 2016](#)

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

- [The new register of apprenticeship training providers \(RoATP\)](#)
- [Apprenticeship funding from May 2017](#)
- [Confirmed allocation of frameworks and standards to new funding bands from May 2017](#)
- [Comparing existing apprenticeship funding with new apprenticeship funding from May 2017](#)
- [The Apprenticeship levy from April 2017](#)
- [Finding qualifications approved for the unemployed on the funding hub in 2016/17](#)
- [Adult funding – Overview, and where to find out more](#)
- [Advanced learner loans – Where to find out more](#)

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