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Pearson UK – Funding News

13 January 2017

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 our first Funding News since the middle of December we bring you the NAO report on the DfE's accounts, a consultation on the draft strategic guidance for the new IfA, the latest list of apprenticeship frameworks to be closed down, and updated apprenticeship funding bands. We also bring you the latest guidance on the levy. The EFA published their annual letter on 16-19 funding, and their guidance on formula protection funding in 2017/18, and announced that bursary fund is now available to all 19-25 year olds with EHC plans. Lastly, we bring you the latest list of area reviews and the updated form for applying for transition grants. As usual, we also provide a round-up of the latest from Pearson: policy and funding updates, and information about the free events and webinars we are running on apprenticeship reform.

DfE accounts

- NAO report on DfE's financial statements 2015-16

Institute for Apprenticeships

- Consultation on draft strategic guidance

Apprenticeship funding

- Updated list of apprenticeship frameworks to be closed down
- Updated: Apprenticeship funding bands
- Briefing for schools and education stakeholders on the apprenticeship levy and public sector duty
- Updated factsheet for employers about apprenticeship reforms
- Reminder: HMRC guidance for levy paying employers
- Digital apprenticeship service: presentation for levy paying employers

16-19, and 19-25 with education health care plans, funding

- EFA letter: 16 to 19 funding for academic year 2017/18
- Formula protection funding
- 16-19 bursary fund now available to all 19-25 year olds with education health care plans

Area reviews, and area review funding

- Latest list of reviews
- Transition grants

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- Policy and funding updates
- More free events and webinars from Pearson on apprenticeship reforms



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DfE accounts

[NAO report on DfE's financial statements 2015-16](#)

In December the NAO published its [report on the DfE's financial statements 2015-16](#). The Comptroller and Auditor General provided an 'adverse opinion on the truth and fairness of the DfE's group financial statements 2015-16'. He has also qualified his regularity opinion because the DfE has exceeded two of its expenditure limits authorised by Parliament. The issues mostly relate to the department having to combine the accounts of more than 2,500 academy trusts, which have different accounting periods to the accounts of the DfE and its executive agencies, such as the EFA.

The NAO conclude that the DfE has 'many challenges to overcome if it is to implement successfully its plans to provide Parliament with a better picture of academy trusts' spending next year'.

This is the second year this has happened but senior civil servants have advised MPs they were expecting the adverse opinion and have plans in place to fix the issues.

Institute for Apprenticeships

[Consultation on draft strategic guidance](#)

On the 4 January the DfE published [draft strategic guidance](#) on how the Institute for Apprenticeships will operate. It outlines five core functions and twelve supporting ones and. The consultation is in the form of inviting feedback on any aspect of the document and closes on 31 January.

Apprenticeship funding

[Updated list of apprenticeship frameworks to be closed down](#)

The SFA has updated the list of [apprenticeship frameworks](#) that will no longer be available for new starts. The SFA expects to move from frameworks to standards over course of parliament (2020) with most frameworks being phased out and standards in place by the start of funding year 2017/18. The withdrawal will be phased and notice will be given. The SFA will announce next steps for withdrawing the remaining live frameworks in the spring.

The latest news means that:

- **82** frameworks so far have been, or will be, withdrawn.
- **7** frameworks were withdrawn in **June 2016**.
- **54** frameworks were withdrawn in **December 2016**.
- **1** framework will be withdrawn in **April 2017**.
- **20** frameworks will be withdrawn in **October 2017**.

[Updated: Apprenticeship funding bands](#)

The SFA has updated the list of [funding bands](#) that will apply for apprenticeship frameworks and apprenticeship standards.

It lists the [apprenticeship standards](#) that have an approved assessment plan and are ready for employers and training organisations to use. The list of apprenticeship standards shows 2 sets of funding bands:

- for starts up to and including 30 April 2017
- for starts from 1 May 2017.

The frameworks spreadsheet sets out the funding bands that will apply for existing [apprenticeship frameworks](#) from 1 May 2017.

The [Pearson Funding Focus](#) which makes it easy to find all the funding bands will shortly be updated and will be available on [Pearson Funding News](#).

[Briefing for schools and education stakeholders on the apprenticeship levy and public sector duty](#)

Amazing Apprenticeships, the approved communication channel commissioned by the NAS to support the apprenticeship support and knowledge for schools project, has published a [briefing for schools and education stakeholders on the apprenticeship levy and public sector duty](#). The brief is about apprenticeships delivered by the school as an employer (not as a qualification for pupils) and is intended for head teachers, school business managers or bursars.

[Updated factsheet for employers about apprenticeship reforms](#)

The SFA has updated their [factsheet](#) which provides key information to employers about the changes to apprenticeships including new standards, the apprenticeship levy and the digital apprenticeship service.

[Reminder: HMRC guidance for levy paying employers](#)

A quick reminder that HMRC has published [guidance](#) for employers paying the apprenticeship levy which covers when it needs to be paid, how much will be paid, how employers will report how much they owe, and how to pay. The guidance includes advice for schools and academies.

[Digital apprenticeship service: presentation for levy paying employers](#)

The SFA has created a [presentation](#) to explain the main features of the digital apprenticeship service. The video is aimed at levying paying employers. It shows screens taken from the prototype system although these are still in development and may be changed before the service is fully live in May 2017. The video outlines the employer journey from the account home screen and registration to the funding and apprenticeship management sections.

16-19, and 19-25 with education health care plans, funding

[EFA letter: 16-19 funding for academic year 2017/18](#)

On 21 December the EFA published their [annual letter](#) explaining funding for academic year 2017/18 for students aged 16-19 and students aged 19-25 with an education, health and care plan.



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The letter covers funding for academic year 2017/18, national funding rates, formula protection funding, English and maths, student support (including free meals), high needs students, traineeships, lagged student numbers, 19+ continuing students, disadvantage block 2, allocations process and timeline.

Key news is that national base funding rates will remain unchanged for 2017/18 (£4,000 for full time 16-17 year-olds, and £3,300 for 18 year olds), the EFA are not planning any additional savings for 2017/18 beyond the continued phased removal of formula protection funding (phased out over six years from 2016/17 to 2020/21), and that the EFA will continue to support institutions growing traineeship numbers (business cases will be reviewed in March 2017 and results known in April),

Formula protection funding

The EFA has published information on [formula protection funding for 2017/18](#). Formula protection funding was introduced in 2013/14 to moderate the impact of the funding formula changes. The plan was to provide formula protection funding for 3 years (up to and including 2015/16) and then to review it. In January 2016 it was announced that it would then be phased out over 6 years (up to and including 2020/21). The first reduction was made in 2016/17.

The information is for institutions that received formula protection funding (FPF) in 2016/17 and explains how the reductions will be applied in 2017/18.

16-19 bursary fund now available to all 19-25 year olds with education health care plans

The EFA has updated the [16-19 Bursary Fund guide: 2016/17](#) to confirm students aged 19-25 with an education, health and care plan (EHCP) are eligible for support from discretionary bursary funding, regardless of the type of institution they attend. The change follows queries from institutions as students aged 19 and over with EHCPs who were not attending a special post 16 institution (SPI) were unable to apply for financial support from either the 16-19 bursary fund or the discretionary learner support fund for those aged 19 and over.

The guide now also includes additional information about the carrying over of funds from previous academic years; and what those funds can and can't be used for.

Area review funding

Latest list of reviews

4 new area reviews have been added to the list; 18 are now available:

- [Birmingham and Solihull](#), 29 November 2016
- [Black Country](#), 10 January 2017
- [Cheshire and Warrington](#), 29 November 2016
- [Coventry and Warwickshire](#), 10 January 2017
- [Cumbria](#), 10 January 2017
- [Greater Manchester](#), 29 November 2016
- [Liverpool city region](#), 10 January 2017
- [The Marches and Worcestershire](#), 29 November 2016
- [North and mid-Hampshire](#), 10 January 2017
- [Sheffield city region](#), 29 November 2016
- [Solent](#), 29 November 2016



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- [Stoke-on-Trent and Staffordshire](#), 29 November 2016
- [Surrey](#), 29 November 2016
- [Sussex](#), 29 November 2016
- [Tees Valley](#), 29 November 2016
- [Thames Valley](#), 29 November 2016
- [West of England](#), 29 November 2016
- [West Yorkshire](#), 29 November 2016

Transition grants

The DfE, SFA, and EFA have updated the forms that sixth-form and further education colleges need to use to [apply for transition grants](#) to support significant changes recommended in area reviews. Related guidance explains the grants, the amounts available, the funding conditions, and the application process.

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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 6 January 2017](#)
- [Policy Eye - Highlights of week ending Friday 16 December 2016](#)

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

- [Updated – BTEC Firsts and Nationals – Funding in 2016/17](#)
- [Apprenticeship funding – Overview, and where to find out more](#)
- [The new register of apprenticeship training providers \(RoATP\)](#)
- [Apprenticeship funding 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](#)

Free events and webinars from Pearson on apprenticeship reforms

Pearson is running a series of [free events and webinars](#) to help you prepare for apprenticeship reform.

We will shortly be announcing **2017 Sector Launch events** (top of the [page](#)). These events will explain our offer, end-point assessment, and our resources, including a new online learning and assessment tool. We will be running events in: Business, Health and Social care, Childcare, Logistics, and Retail, Hospitality and Catering, and these will take place in Manchester, Birmingham, and London.

We have also been running a series of **Insight webinars** (bottom of the [page](#)) designed to shine a light on some of the more cloudy areas of apprenticeship reform. The next one being held will be on progress towards the new funding regime on Tuesday 24 January 2017, 4-5pm. Do just [register](#) to attend. You can access the recordings and materials from past webinars [here](#).

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.