

Funding Summary - January 2018

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Appendices;

1. Careers guidance and access for education and training providers.
2. Removal from register of apprenticeship training providers and eligibility to receive public funding to deliver apprenticeship training

Introduction

No progress seems to have been made to address the plight of providers that fell below the £200k threshold for non-levy apprenticeship funding due to the pro rata allocation process. The sector seems to be confident again that we will see a relaxing of the rules for apprenticeship subcontracting, however no announcements have yet been made.

I have recently been directly involved in end point assessment for a range of Digital and engineering apprenticeship standards. There is no consistency in approach leading many of us to question the quality of process here. The IfA certainly has its work cut out to address this important area.

I welcomed the announcement that providers were being invited to get involved in the pilot delivery of T levels, a key challenge here is the provision of work placements which one would think would favour ITP's. It really saddened me to see the detail that to express interest the provider needs to have an existing 16-19 contract (old style EFA contract). This will exclude most ITP's as the 16-19 contracts are the domain of Colleges in the main.

Apprenticeship off-the-job training and annual leave

I really take issue with this, whatever happened to an apprentice having to make personal sacrifices and attend evening classes in their own time or even work for many years with no pay in order to enjoy a fruitful career – nanny state!

To provide clarification, off-the-job training is an essential part of an apprenticeship and therefore, must take place during employed time. If, by exception, training takes place in an evening, or outside of contracted hours, this should be recognised (for example, through time off in lieu).

Should an apprentice not be able to attend a planned training session (due to leave, sickness, operational pressures) the apprentice should be given the opportunity to catch up on what they missed (e.g. by attending one to one sessions with their provider or using on-line learning materials). As above, this should take place during paid working hours.

The programme is sufficiently flexible to accommodate exceptional periods of leave or sickness.

Our published guidance provides further information.

Apprenticeship framework withdrawals

Over the course of 2017, we sought feedback on a 4th and 5th batch of apprenticeship pathways and frameworks which our analysis suggested would be well covered by new apprenticeship standards. As a result of that feedback exercise, we are confident that there are a number of

frameworks that are covered by standards that have been approved for delivery and are being taken up by employers. Those frameworks can be found on the removal of apprenticeship frameworks page.

However, recognising this is a time of significant change for the sector, we will not withdraw any further frameworks until 2020.

For further information, refer to the removal of apprenticeship frameworks page on GOV.UK or contact the service desk.

National Apprenticeship Week

National Apprenticeship Week 2018 - #NAW2018 - takes place from 5 to 9 March 2018. The theme of the week is Apprenticeships Work to showcase how apprenticeships work for employers, individuals, local communities and the wider economy. We've put together a whole range of engaging resources to help you get involved with the week, visit our dedicated employer pages to find out more.

<https://www.gov.uk/government/publications/skills-funding-agency-business-update/business-update-issue-29-national-apprenticeship-week-special>

'Class of 2018' – graduation ceremonies during National Apprenticeship Week

We are working with our Ambassador networks, across our 9 regions, to organise graduation ceremonies on Monday 5 March and Friday 9 March, during National Apprenticeship Week.

Venues will include: The Chamber, City Hall (London) and BT Tower (London), Imperial War Museum (Duxford/ East of England), The Amex Stadium, Brighton (South East), Durham Cathedral (North East), Royal Armouries Museum Leeds (Yorkshire & Humber), Birmingham University Great Hall (West Midlands), Derby Roundhouse (East Midlands) and Weston Pier (South West).

We will include a link in next week's update to the registration site, in the meantime please encourage all employers and colleges to get their graduating apprentices to sign up for their region.

If you have any queries in the interim, please contact Graduation@livegroup.co.uk.

May 17 to Dec 17 Non Levy Apprenticeships rundown extension – Starts to March 2018

The extensions and carry-in variations for the May-December non-levy apprenticeships have now been issued.

If we have informed you in your recent apprenticeships allocations letter that you have a rundown extension to March 2018, we have set up a new Learning Delivery Monitoring (LDM) code for you to record new starts between 1 January 2018 and 31 March 2018.

You must use LDM code 358 to record delivery under your run-down extension. Please refer to the ILR specification for more information about using LDM codes. You must not use this LDM code for procured non-levy apprenticeships or if you have not been informed you have a rundown extension.

New Report on the Hub - Non-Contracted Apprenticeships Activity Report

We have recently launched a new Hub report entitled 'Non-Contracted Apprenticeships Activity Report'. This report is produced after every ILR submission and is available from the ILR Reports zip file on the Business Reports tab on the Hub.

This report only applies to Funding Model 36 (Apprenticeships from 1 May 2017). The purpose of this report is to identify learning aims that have passed ILR validation and will therefore calculate

funding, but for which the provider does not have a valid contract and so payments will not be made. For example, this situation could arise if a provider submits a 16-18 non-levy learner but only has a contract for adult non-levy learners.

Transferring apprenticeship levy funds to another employer

From April 2018, we plan to allow levy-paying employers to transfer funds to other employers, through the apprenticeship service. Levy-paying employers will initially be able to transfer up to 10% of the annual value of funds entering their apprenticeship service account.

They will be able to transfer funds to any employer and will have to agree the apprenticeships that are being funded by a transfer with the employer receiving the funds. Employers receiving transferred funds will only be able to use them to pay for training and assessment for apprenticeship standards.

For more information, visit the apprenticeship funding: how it works page on GOV.UK and look under the heading 'Share funds with another employer'. We will be providing further details about the transfer process in the near future.

Latest improvements to the apprenticeship service

The ESFA is continually making improvements to the apprenticeship service to help employers make the most of their apprenticeship levy.

Why not talk to employers to discuss if they are using the levy to its full potential for training their workforce?

Recent updates on the service include:

- colour-coded screens so that employer-providers can now easily see which part of the service they're in – purple for employer view and orange for training provider view
- a new task list feature on the account home page so that activities an employer needs to complete will be visible including prompts to sign agreements, review and approve apprentice changes and cohorts
- employers being able to see the stop date for any apprentices they have stopped
- employers being able to view an apprentice's unique learner number (ULN), which will help when trying to resolve any queries
- an improved process for amending apprentice records
- employers being able to see end-point assessment organisations for an apprenticeship standard when they're looking on 'Find apprenticeship training', making it easier to contact them about the service they offer and the costs involved

New funding monitoring reports published

We have published the full suite of funding monitoring reports on the Hub to support the financial assurance: monitoring the funding rules 2017 to 2018 plan.

Please review these reports to ensure your data is recorded accurately.

We have also published the funding monitoring reports user guide which explains how to access the reports and correct your data if required. It also details the action we will take to rectify any identified funding issues at year-end.

Qualification Achievement Rates (QAR) provisional data for 2016 to 2017 released

Providers can now access their provisional QAR data for 2016 to 2017 on the data returns tab of the Hub and through BIRST reports. Guidance on how to use data extracts in the Hub and how to navigate BIRST are now available on GOV.UK.

You have until 5pm Friday, 2 February to inform us of any concerns about how we have implemented our published methodology; you cannot request fixes or adjustments to your 2016 to 2017 ILR data.

If you have any queries, please contact the service desk. If you have a query about specific data, complete the data queries form and email the form to the service desk.

We will publish your final QAR data during March 2018.

QAR 2016 to 2017 – re-release of provisional data for all providers

From the feedback received during the Qualification Achievement Rates provisional window, we will be applying some minor changes to the calculations. We will re-publish provisional data for all providers in the coming days and will communicate through both the Hub and the QAR FE connect blog once complete.

Although the changes do not affect the majority of providers, we still advise that you check your data.

The BIRST dashboards will not be available while we update the data. We will communicate the outage through the HUB. Please ensure you check for these communications before raising an incident with the service desk.

You have until 5pm on Friday, 2 February to inform us of any further concerns about how we have implemented our published methodology; you cannot request fixes or adjustments to your 2016 to 2017 ILR data.

If you have any queries, please contact the service desk.

For specific data queries, please complete the data queries form and email the form to the service desk.

ESFA Learner Satisfaction Survey 2017 to 2018

Ensure your learners have their say in the ESFA Learner Satisfaction Survey, which is now open until 4 May 2018.

As requested in the letters we have sent, please let us know through the Provider Extranet, that you can access the survey and who in your organisation we can speak to about the survey.

Please ensure your contact details are up to date on the Provider Extranet so we can let you know when your survey results are published. Please also check you are able to access the survey by following this link and entering your UK Provider Reference Number (UKPRN) when prompted.

16 to 19 funding allocations supporting documents for 2018 to 2019

<https://www.gov.uk/government/publications/16-to-19-funding-allocations-supporting-documents-for-2018-to-2019>

The documents on this page have been produced to help you understand how we will calculate your 16 to 19 allocation. We will be uploading statements, once available, to ESFA Information Exchange: 'Revenue Funding' folder, under 'AY 2018-19'. We expect allocations for 2018 to 2019 to be sent out to most institutions in the spring. We will confirm deadlines for submitting business cases when we send out allocations.

16 to 19 education: funding allocations

The Education and Skills Funding Agency (ESFA) funds schools, academies, colleges and independent learning providers. We calculate funding using the 16 to 19 national funding formula. The formula is driven by student recruitment and includes factors which reflect student retention, higher cost subjects, disadvantaged students and area costs. The 16 to 19: how it works page includes further information about each element within the 16 to 19 national funding formula.

Funding calculated using the national funding formula is also supplemented by additional funding for high needs students, bursaries and other financial support awarded to individual students.

As in previous years, we will usually base your 16 to 19 funding allocation for 2018 to 2019 on your 2017 to 2018 lagged student numbers (subject to exceptions where the lagged approach does not apply, as set out in our funding guidance). Your funding allocation statement will include a breakdown of the calculation and detailed explanatory notes will be available.

Once allocation statements are available, we will upload them to ESFA Information Exchange: 'Revenue Funding' folder, under 'AY 2018-19'. We expect to issue allocations for 2018 to 2019 for most institutions by the end of March 2018.

16 to 19 funding: funding for academic year 2018 to 2019

Peter Mucklow, National Director of Young People at Education and Skills Funding Agency, has written to post-16 institutions explaining funding for the academic year 2018 to 2019 for students aged 16 to 19 and students aged 19 to 25 with an education, health and care plan.

<https://www.gov.uk/government/publications/16-to-19-funding-funding-for-academic-year-2018-to-2019>

Areas included in the letter are:

- funding for academic year 2018 to 2019
- formula protection funding
- supporting growth in maths
- maths and English condition of funding
- application of retention
- Work Placement Capacity and Delivery Fund
- student support
- high needs students
- lagged student numbers
- 19+ continuing students
- allocations process and timeline

Funding for academic year 2018 to 2019

The 16 to 19 participation budget funds institutions to deliver high quality study programmes offering substantial qualifications, English and maths, and other value added activities (including work experience where appropriate) enabling students to progress to higher levels of study or skilled work.

The national base rates of £4,000 per full time student aged 16 to 17 and £3,300 for 18 year olds are maintained for academic year 2018 to 2019 as are the part time funding rates. This is in line with the commitment made in the 2015 Spending Review.

Although base funding rates have not been increased, government will continue in 2018 to 2019 to make new investment in post-16 education to improve choices for students, quality and skills training. This includes:

- funding of up to £20 million over the next 2 years to train and prepare post-16 teachers for T levels; and
- up to £50 million in 2018 to 2019 financial year to build capacity to deliver work placements for 16 to 19 students; and
- £40 million for centres of excellence in English and maths over the next 5 years and £16 million for a Maths Support Programme to raise the quality and take-up of level 3 maths.

We are also continuing to invest in the institutions of the sector to ensure more higher-end technical skills training delivery and overall stability including:

- funding of £170 million to support new Institutes of Technology from 2019 to deliver higher-level technical skills; and
- the Strategic College Improvement Fund of £15 million over the next two years to help weaker colleges improve; and
- ongoing access to the one-off funding from the Restructuring Facility (to end-March 2019) to enable colleges to make the structural changes required to put them on a sustainable financial footing.

Invitation to express an interest to deliver T levels in 2020 to 2021 academic year

Scandalous, only those with 16-19 contracts can apply for this, very College centred approach which will exclude most ITP's.

Providers meeting the criteria are invited to express an interest to deliver T levels in 2020 to 2021 academic year. To do this, providers will be required to complete and submit a short survey to ESFA. The closing date for applications is midday on 28 February 2018 and providers who express an interest will need to:

- currently deliver relevant qualifications to a minimum of 10 qualifying students
- have an Ofsted rating of Good or Outstanding or be able to demonstrate that they have an equivalent standard of quality. Providers who hold a rating of Outstanding will be given priority during the selection process
- have a current average attainment grade of 'Merit' or above for relevant current technical or vocational qualifications
- have at least satisfactory financial health

The first 3 classroom based T levels will be available from the Digital, Construction, and Education and Childcare routes. Specific T levels from each of these 3 routes have been chosen for delivery in the 2020 to 2021 academic year, these are:

- Digital route: Software applications design and development
- Construction route: Building services engineering
- Education and Childcare route: Education

There will be an opportunity for more providers to deliver T levels from September 2021 when all T levels from the first 6 technical routes will be rolled out. We will re-visit our application process and

qualifying criteria before confirming the process for providers to deliver T levels in 2021, learning lessons from the process for 2020. This will ensure that we have a robust and high quality group of providers that are to continue the successful delivery of T levels in 2021.

Funding claims guidance

The 2017 to 2018 funding claims guidance is now available this is relevant to you if you have any of the following contract types:

- a grant for your Adult Education Budget (non-procured only)
- a grant with an Advanced Learner Loans Bursary contract
- a Discretionary Learner Support contract
- a Community Learning contract

If you have any queries about this please contact the service desk or your Provider Manager.

High needs funding arrangements: 2018 to 2019

<https://www.gov.uk/government/publications/high-needs-funding-arrangements-2018-to-2019>

High needs funding 2018 to 2019 operational guide

This guide describes how the 2018 to 2019 high needs funding system will work for all types of provision. It provides key dates and activity for the delivery of 2018 to 2019 high needs funding. It also sets out the principles against which ESFA will consider changes to hospital education funding.

There are significant changes to the way that allocations of funding for 2018 to 2019 to local authorities are determined because of the introduction of national funding formulae for schools, high needs and central school services. The final national funding formulae for 2018 to 2019 and 2019 to 2020 have been confirmed, alongside the analysis of responses to the national funding formulae consultations and government's conclusions.

High needs place change notification process

Local authorities were invited to submit changes to 2018 to 2019 high needs place numbers in ESFA funded institutions by 17 November 2017. The outcomes from this process are now available in the high needs place change request outcomes 2018 to 2019 workbook. This presents information on all institutions for which local authorities submitted a return to change high needs place numbers. The individual outcomes have been determined in line with the principles set out in high needs place change notification process technical note 2018 to 2019.

Place change outcomes will inform the funded place numbers for academic year 2018 to 2019 in FE colleges, commercial and charitable providers and academies. If an institution is not listed in the workbook then this means that no local authority change request was submitted for that institution and the published 2017 to 2018 place numbers will be used as the basis of the 2018 to 2019 allocation.

A local authority, academy or FE institution may contact ESFA to query the place numbers within the enquiry window, which closes on 2 February 2018. Details on how to submit a query during this period are set out at paragraphs 48 to 52 of the high needs place change notification 2018 to 2019 technical note.

2016 to 2017 high needs student numbers recorded in the ILR and school census

The data file 2016 to 2017 high needs student numbers recorded in the ILR and school census is provided to inform local discussion about commissioning arrangements for 2018 to 2019. It presents the number of high needs students at institutions recorded in the academic year 2016 to 2017 ILR R14 data return (updated from 2016 to 2017 ILR R10), and the number of pupils in special academies recorded in spring 2017 school census. The file also provides the number of high needs place numbers for academic years 2016 to 2017 and 2017 to 2018.

Local authorities can now access institutional level import and export data used in the high needs national funding formula. This is available via the Information Exchange in the Document Exchange 'Other Submissions' folder under the 2016 to 2017 academic year.

Further information

We've published videos about high needs funding which you might find useful.

Input to ESFA customer experience

Last year, as part of our continued customer experience work, we held interviews and workshops with a range of our customers.

In order to consider feedback and to enhance customer experience, we have set up improvement projects. As we progress these projects we want to talk with you again and will be doing 45 minute telephone interviews between 26 February to 9 March.

We are also developing our online reference group and will be using this more to test our plans, ideas and services with you in a quick and simple way.

If you are interested in being interviewed or joining the online group please email: josie.appleby@education.gov.uk.

Appendix 1

Careers guidance and access for education and training providers

Statutory guidance for governing bodies, school leaders and school staff

<https://www.gov.uk/government/publications/careers-guidance-provision-for-young-people-in-schools>

In line with the commitments in the Government's careers strategy, the document aims to:

- set out what schools need to do to meet the eight Gatsby Benchmarks defining excellence in careers guidance.
- provide statutory guidance which underpins the new duty, introduced on 2 January 2018, which requires schools to ensure provider access to all pupils in years 8 to 13 for the purpose of informing them about approved technical education qualifications or apprenticeships. In order to help schools to manage the programme of opportunities that will be offered to education and training providers as part of their statutory duty, the DfE strongly advises providers to work together in a coordinated approach to engage with schools so that schools are able to coordinate the offer to students.

This statutory guidance is for:

- headteachers
- school staff
- local authorities that maintain pupil referral units

Statutory guidance is issued by law; you must follow it unless there is a good reason not to.

It applies to:

- local-authority-maintained schools
- community schools
- foundation or voluntary schools
- community or foundation special schools (other than those established in a hospital)
- academies and free schools
- pupil referral units (PRUs)

This is statutory guidance from the Department for Education. This means that recipients must have regard to it when carrying out duties relating to independent careers guidance and provider access to schools. We use the term 'must' when the person in question is legally required to do something and 'should' when advice is being offered.

Statutory duties

1. Section 42A of the Education Act 1997 requires governing bodies to ensure that all registered pupils at the school are provided with independent careers guidance from year 8 (12-13 year olds) to year 13 (17-18 year olds).

2. The governing body must ensure that the independent careers guidance provided:

- is presented in an impartial manner, showing no bias or favouritism towards a particular institution, education or work option;
- includes information on the range of education or training options, including apprenticeships and technical education routes;
- is guidance that the person giving it considers will promote the best interests of the pupils to whom it is given.

3. The Technical and Further Education Act 2017 inserts section 42B into the Education Act 1997 and came into force on 2 January 2018. This new law requires the proprietor of all schools and academies to ensure that there is an opportunity for a range of education and training providers to access all pupils in year 8 to year 13 for the purpose of informing them about approved technical education qualifications or apprenticeships.

4. The proprietor must prepare a policy statement setting out the circumstances in which education and training providers will be given access to pupils, and to ensure that this is followed. The policy statement must be published and must include:

- any procedural requirement in relation to requests for access;
- grounds for granting and refusing requests for access;
- details of premises or facilities to be provided to a person who is given access.

5. The proprietor may revise the policy statement from time to time. The proprietor must publish the policy statement and any revised statement.

Removal from register of apprenticeship training providers and eligibility to receive public funding to deliver apprenticeship training

Introduction

For apprenticeships starting from 1st May 2017, all organisations that want to receive public funding to deliver apprenticeship training, including employers, must meet the requirements of the register of apprenticeship training providers (the register). Organisations on the register went through an application process with the ESFA that involved due diligence on capability, quality and financial health to assess their capability to deliver high quality apprenticeships training and fitness to receive public funding.

To enter the register, organisations must accept certain conditions when applying. These conditions ensure that public funding and apprentice needs are protected. The conditions set out the circumstances that may lead to removal of an organisation from the register, and an organisation's ability to receive public funding to deliver apprenticeship training.

The approach outlined for providers delivering apprenticeship training, and rated as 'inadequate' by Ofsted, supersedes the intervention and accountability approach for all apprenticeship funding. Any non-apprenticeship funding for education and skills is subject to the current intervention and accountability approach.

The approach outlined here focuses on the condition relating to Ofsted inspections and the action we will take from 30 January 2018 if an organisation on the register no longer meets this condition.

Inadequate Ofsted grade

Organisations graded as inadequate by Ofsted for "apprenticeships" (or inadequate for "overall effectiveness" under its FE and skills remit where there is no separate apprenticeship grade) are ineligible to apply to the register. In line with the conditions of acceptance that an organisation signed on joining the register, when Ofsted inspects an organisation on the register, and the grades are as described above, ESFA will remove that organisation from the register.

We will write to the affected organisation following publication of the relevant Ofsted report advising that:

- they are being given 5 working days' notice of their removal from the register of apprenticeship training providers
- they must not start any new apprentices
- they can continue to deliver training to existing apprentices if employers want to continue working with them

If an organisation is not listed on the register, but is completing the delivery of apprenticeships that started before May 2017, we will write to them to advise that they can continue to deliver training to existing apprentices if employers want to continue working with them.

After we have contacted the organisation, we will contact each existing apprentice's employer. Each employer can choose to allow their apprentices to remain with the organisation until their apprenticeship is complete, or they can select a different provider. Where the organisation is also the employer of the apprentices, they can choose to continue to deliver training to these apprentices, or can transfer them to another provider. We will help employers to transfer their apprentices where they want this to happen.

We will look at the planned end date of training for each apprentice that remains with the organisation to determine the final date that the organisation's apprenticeship funding will end.

If Ofsted has raised concerns about safeguarding in an inspection report, and identified a significant risk to apprentices, we reserve the right to remove an organisation from the register and stop all current and future apprenticeship delivery, requiring employers to move all apprentices to other providers.

All organisations delivering apprenticeship training who are in scope for inspection by Ofsted will be subject to this policy, irrespective of the type of organisation they are. These actions apply irrespective of whether an organisation is delivering apprenticeship training for levy paying employers or for those who do not pay the levy.

Re-inspection by Ofsted

Organisations removed from the register who are subsequently re-inspected by Ofsted can re-apply to the register if their grades mean that they become eligible to do so. If this applies to your organisation, please email RoATP.MAILBOX@education.gov.uk. If the application is successful, ESFA will add the organisation to the register.

Organisations who are not re-inspected by Ofsted must wait until at least 3 years from the date of the original inspection before re-applying to the register. This reflects the register's published eligibility criteria.