

Addendum to Funding Guidance for Further Education in 2002/03

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Introduction

1 The Learning and Skills Council (the Council) published *Funding Guidance for Further Education in 2002/03* (the guidance) in May 2002: a final draft of this document was available on the Council's website from March 2002. This *Addendum to Funding Guidance for Further Education in 2002/03* provides additional guidance which has been developed since the publication of the main document. It also provides corrections, additions and replacement text which aim to clarify specific points in the guidance.

Responsive Growth and the 16-18 Entitlement Guarantee

2 The Council's approach to funding responsive growth in 2002/03 was described in paragraphs 298-299 of the guidance. The Council has, as a result of institutions' responses during the 2002/03 funding round, extended the scope of the funding available through this mechanism so that responsive growth achieved through extra provision for 16-18 learners, basic skills and additional learning support will be paid at the full rate (i.e. 100% rather than 60%). The responsive growth funding that the Council is able to release to institutions will be limited by the funding available, and will normally be subject to an overall limit of 5% additional activity. The Council is however mindful of the entitlement to learning at 16-18 and wants to ensure that

all unplanned growth for this age group is met in full. The Council therefore guarantees to fully fund all additional 16-18 provision in order to ensure that no young person is turned away on grounds of affordability. Any additional adult basic skills provision will also be fully funded and not restricted to the 5% limit.

3 Where an institution believes that by meeting demand from 16-18 learners or through additional basic skills provision, it may exceed the normal 5% limit, it should contact the local executive director immediately. Robust supporting evidence should be provided to the Executive Director to enable additional funding to be released.

4 Responsive growth which reflects other increased provision for learners over 19 will continue to attract funding at 60% of the standard rates and other aspects of responsive growth remain as described in paragraphs 298-299 in the guidance.

Compulsory Fees and Other Charges for 16-18 Year Old Learners

5 It is a new condition of grant for 2002/03 that no compulsory enrolment, registration or examination fees may be charged to 16-18 year old learners in Further Education (FE). The Funding definition of a 16-18 year old learner is used in this context i.e. a 16-18 year old learner is one aged 16, 17 or 18 on 31 August in the calendar year when the learner

begins a programme of study. Further details of this policy and its application, including the circumstances in which charges may be made, are given in *Guidance on the circumstances in which 16-18 years olds in FE institutions may be subject to charges* which is available on the Council's website at www.lsc.gov.uk/documents/otherdocuments

Traditional European Social Fund Projects in FE

6 Traditional European Social Fund (ESF) projects in FE are directly funded by the Government Office. The term 'traditional' is used to distinguish these projects from those funded through the new co-financing arrangements. In traditional projects, ESF has or will be secured through a direct application to Government Offices by an FE institution (or where an FE institution is a third party to a direct application) and where Council funds have been or will be used as match funding for ESF. Such traditional ESF projects are not covered by the Council's co-financing arrangements.

7 It is intended that all ESF supported activity for which Council funds are used as match funding will become part of the Council's co-financing approach. The guidance relating to traditional ESF projects will therefore only apply whilst such projects are supported by Council match funding.

8 The guidance on this area for 2001/02 is in *Audit of 2001/02 Final Funding Unit Claim and 2001/02 Individualised Student Record Data*, which has been available as a final draft on the Council's website from May 2002. The guidance for 2002/03 builds on the Council's approach in 2001/02, with certain key changes which will simplify the process for institutions.

Key Changes for 2002/03

9 Learners on ESF-supported projects will not automatically attract the disadvantage uplift (see the guidance, paragraphs 36 and 37).

10 The mechanism for adjusting the level of funding available for learners on ESF-supported projects is different for 2002/03 and reflects the introduction of the new formula funding approach for FE in 2002/03. This mechanism utilises individual learner record (ILR) field A12 (implied rate of LSC funding), which can be adjusted to ensure that an appropriate level of Council match funding is generated. Where appropriate an FE institution can adjust the level of funding by applying the methodology detailed in *The Funding Calculation for ESF Traditional Projects in 2002/03* available on the Council's website at www.lsc.gov.uk/documents/otherdocuments

11 The total amount of funding available to an institution remains limited to the funding allocation and any extra funding that has been made available by the Council to reflect additional activity.

Interaction between WBL and Other Funding Streams

12 The Council intends to reflect previous guidance, outlined in *Guidance on Further Education Funding Eligibility and Rates 2001-02*, during the transition phase to the new Modern Apprenticeship (MA) frameworks in 2002/03.

13 The national funding rates for work based learning cover all mandatory elements of MA frameworks and other work based learning programmes. Additional funding should not be claimed from any other source (apart from an employer contribution where relevant) for the funded elements as this may result in:

- multiple funding of the same learning
- unintended consequences for funding levels and local planning.

14 If a learner (or their employer/training provider) wishes to pursue other educational activity which is outside the mandatory elements of the framework or the funded programme, this activity can be funded separately through the most appropriate route (such as the FE funding stream, by the employer or other sources).

Construction Apprenticeship Scheme

15 The Construction Industry Training Board has established a Construction Apprenticeship Scheme to provide a high quality route for young people entering the construction industry. For the first 39 weeks of the scheme, young people are not in employment and may be enrolled as full-time learners by FE institutions. Institutions should ensure that the learners' programmes lead to appropriate qualifications, normally an NVQ level 1 plus additional relevant qualifications.

16 Learners progressing to the next phase of the scheme under Foundation Modern Apprenticeship arrangements leading to NVQ level 2 should be funded through work based learning. FE institutions may not claim additional funding for provision funded through work based learning for learners in this phase of the scheme. Separate learning aims may be funded as described in paragraph 14.

Qualifications Falling Out of Approval

17 During 2002/03 institutions should seek guidance from their local Council about funding for qualifications which fall out of

approval. The Council will continue to fund learners already enrolled on programmes to enable them to complete these but does not expect to fund new enrolments for qualifications which have fallen out of approval where suitable alternative approved qualifications are available. In these cases institutions should ensure that learners are encouraged to study the replacement qualification. Under exceptional circumstances (i.e. where there are no suitable approved qualifications currently available) providers should consult their local Councils to agree appropriate alternative provision eligible for funding which meets identified learner needs and local priorities.

18 Any learner enrolment on to a course leading to an approved qualification should be either on or before the last date of approval of that qualification. In addition the course itself (i.e. the teaching and learning, and not just the learner induction) must have commenced before the approval end date. Institutions are reminded that where learners are enrolled onto a course leading to a qualification nearing the end of its approval, they are responsible for checking qualification availability, registration and certification dates with the awarding body.

Additional Learning Support Costs Form

19 As referred to in annex C, paragraph 16 of the guidance, a revised version of the additional learning support costs form for 2002/03 is now available as a pdf file on the Council's website (www.lsc.gov.uk/documents/ISRauditinformation) This form is intended to provide a standard framework for assessing and costing the additional learning support needs of individual learners.

Corrections, Additions and Replacement Text relating to *Funding Guidance for Further Education in 2002/03*

Partial achievement in key skills (addition to paragraph 77)

20 Partial achievement for key skills can be claimed where:

- the external assessment is achieved, or
- the portfolio has been successfully completed (i.e. the evidence portfolio has been internally verified and externally moderated).

Each element attracts half of the full achievement funding.

21 The Council will be developing further guidance with regard to partial achievement of key skills qualifications and whether achievement of the external assessment may count towards the basic skills target.

Funding Taper (correction to paragraph 123)

22 There is an error in the value shown in the third bullet point of paragraph 123. It should read:

‘the maximum funded national base rate per tri-annual period that may be claimed, unless written authorisation as described above has been obtained, will be £1,216’

The value £1,216 is based on a programme equivalent to five AS qualifications in one year that are fully funded and a sixth AS qualification in one year that is discounted by 50%.

Basic Skills (addition to paragraph 138)

23 While the Council is committed to promoting literacy and numeracy for all learners and will fund basic skills provision at an enhanced rate, there is no intention to extend this enhanced funding to GCSE Maths and GCSE English. The rate for this provision is already established and these qualifications will not be funded as basic skills.

Staff employed by an institution as learners (addition to paragraph 194)

24 Any individual employed by an institution may be funded to undertake a basic skills programme which is provided within their contracted working hours. Such provision should reflect an identified individual need.

Persons detained by court order - resettlement of offenders (addition to paragraph 196)

25 These other agencies could include, for example, the Youth Justice Board. The LSC recognises that young offenders may have particular needs in relation to basic skills.

Community Punishment Orders (replacement of paragraphs 200-205 in the Guidance)

26 Community Punishment Orders (CPOs) supervised by the Probation Service can incorporate education and training relevant to the needs of individual offenders subject to the requirements of Probation Service National Standards and guidance from the National Probation Directorate. There is no limit to the proportion of an order that can be used for education and training, however in

practise the internal requirements of the Probation Service make it unlikely that the total of all ordered hours would be available for guided learning. This should be taken into account when planning a programme.

27 For 2002/03 CPO programmes will be eligible for funding subject to the following:

- where offenders are provided with additional resources, over and above that provided by the CPO, to enable them to follow a programme of education and training. The supervision of offenders on CPOs is funded by the Probation Service.
- where the provision is franchised, the institution must ensure that supervision and teaching staff are present. It is not acceptable for both functions to be delivered by the same person at the same time.

28 All cases should involve the employment of additional delivery staff, who would not have been present without the Council funding, whose contract is explicitly for the provision of guided learning hours.

29 Funding may be claimed for provision eligible for FE funding.

30 The Council expects that funding will be used to support active structured learning that meets the individual needs of offenders and that will improve their employability. The Council recognises that the Probation Service and other agencies receive funding to address the behavioural and social needs of offenders. The Council would normally expect to fund provision over and above this, which leads to a qualification, or a unit of a qualification within the national qualifications framework. In particular cases where 'other provision' may be more suitable to meet learner's individual

needs, providers should retain evidence of the assessment procedure leading to the development of the learner's programme together with records, which demonstrate progress.

31 Colleges and other institutions seeking to develop provision with local Probation Areas should consult their local Council at an early stage.

Ineligible Provision (addition to paragraph 226)

32 The following is intended to clarify the first major bullet point of paragraph 226:

HNDs and HNCs awarded by Edexcel or a Higher Education Institution (HEI) and any diploma awarded by an HEI are ineligible for Council funding. Courses of higher education accredited by the QCA and/or externally certificated by an awarding body, professional institution or other outside person are regarded as "non-prescribed higher education" and, as such, remain eligible for funding.

National Diploma rate (correction to annex D, paragraph 17)

33 The rates stated in paragraph 17 of Annex D for the new Edexcel awards are incorrect. The correct rates are those included in Annex A, namely:

- First Diploma (new syllabus) studied in a full-time programme £2,073.
- National Award (new syllabus) studied in a full-time programme £2,073
- National Diploma (new syllabus) studied in a full-time programme £4,970

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