

Qualifications Information Guide

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Audience details: Of interest to colleges and training organisations.

Preface

Since 1 April 2010, the Skills Funding Agency (the Agency) has had the remit to approve regulated qualifications for public funding for adult learners in England. This is within a policy context set out by government in [Further Education and Skills Reform Plan: New Challenges, New Chances](#)¹ and the [Skills Investment Statement 2011-2014](#)².

This Information Guide (the Guide) has been produced to inform the sector about the publicly funded qualifications offer for learners aged 19 and over in England. It is organised into two parts: the first explains why qualifications are funded or not funded, and the processes which underpin how funding approval decisions are made; the second goes into more detail around associated qualifications areas, such as Recognition of Prior Learning, Unit Delivery, and the Innovation Code.

The Guide should be read in conjunction with the [Funding Rules 2012/13](#) and the [Qualification Journey](#). It will be updated in early 2013.

Should you have any questions relating to the publicly funded qualifications offer for learners aged 19 and over in England that are not addressed by this document, you can contact the Agency through qualifications@skillsfundingagency.bis.gov.uk.

¹ New Challenges, New Chances Further Education and Skills System Reform Plan: Building a World Class Skills System (December 2011).

² New Challenges, New Chances Skills Investment Statement 2011-2014: Investing in a World Class System (December 2011).

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Part One: The Basics

Publicly funded regulated qualifications for learners aged 19 and over in England

Public funding of qualifications for adult learners in England is focused on qualifications which are part of an Ofqual³ regulated framework. In the main, this will be vocational qualifications in the Qualifications and Credit Framework (QCF), and general qualifications in the National Qualifications Framework (NQF).

An [overview of the QCF](#) is available on the Ofqual website.

Outside of Ofqual regulated frameworks, the Agency also funds the Quality Assurance Agency (QAA) Access to Higher Education (HE) Diploma.

1. All qualifications approved for public funding are available on the [Learning Aim Reference Application](#) (LARA). The Agency also publishes a list of QCF qualifications approved for public funding on the [Agency's website](#).
2. Since 1 April 2010, the Agency has had the remit to approve qualifications for public funding for adults in England. This replaced the previous process where the Secretary of State for Further Education, Skills and Lifelong Learning approved qualifications under Section 97 of the Learning and Skills Act 2000.
3. In February 2012, following a review of the funding approval process, the Agency broadened the range of QCF qualifications approved for public funding. It removed the need for Sector Skills Councils (SSCs) to advise which vocational qualifications should be funded and which should be designated as 'full' (for an explanation of 'full', see paragraphs 14 to 17 below). The Agency continues to prioritise qualifications for adult learners that are vocational, unit-based and credit-bearing.

³ The Office of Qualifications and Examinations Regulation (Ofqual) regulates by recognising and monitoring organisations that deliver qualifications and assessments as set out in the [Apprenticeship, Skills, Children and Learning Act \(2009\)](#) and [Education Act \(2011\)](#).

How the Agency decides which qualifications should be funded

When a new qualification is accredited by Ofqual, the Agency reviews it against three principles to determine if it will be approved for public funding. The three principles are that the qualification:

- should be part of a regulated framework
- should in the main be unit-based and credit-bearing⁴
- is appropriate for public funding and is not displacing sources of funding from other public bodies, employers or individuals.

(a) The Qualifications Approvals and Governance Group

4. The Qualifications Approvals and Governance Group (the QAG) advises the Agency on the approval of qualifications for public funding and other issues concerning the post-19 qualifications landscape. The QAG has an independent Chair from the adult skills and further education sector and works in partnership with the Agency's Funding External Technical Advisory Group. Its membership includes representation from colleges and training organisations, employers, awarding organisations (AOs) and government departments.
5. There are three components to the process for approving qualifications for funding:
 - (a) A monthly operational funding approval process, which checks newly accredited qualifications against the above principles and additional business rules⁵ to determine if they can be approved for funding. More details of the monthly operational process are included in the [Qualification Journey](#).
 - (b) An [Exceptions Process](#), which allows the Agency to respond to requests from organisations with regard to the funding of particular regulated units and qualifications (or groups and/or types of qualifications).
 - (c) An annual autumn strategic review (stock take), which provides a review of the publicly funded qualifications offer ahead of the next academic year.

⁴ See page 7, paragraph 13.

⁵ For example, we will take into account the size and purpose of qualifications in defining 'full' qualifications.

(b) The monthly operational funding approval process

6. Each month, the Agency reviews qualifications newly accredited into the National Qualifications Framework (NQF) and Qualifications and Credit Framework (QCF). If they are approved for funding, they are placed on the Learning Aims Reference Application (LARA). If they are a QCF qualification, they are also added to the list of funded qualifications published on the [Agency's website \(the online list\)](#). For information about LARA, please contact The Data Service's Service Desk on 0870 267 0001 or email servicedesk@thedata-service.org.uk.
7. More details about how qualifications are funded, and which learners are eligible for public funding, are set out in the [Funding Rules 2012/13](#). If a qualification is accredited by Ofqual, this does not guarantee that it will be approved for funding.
8. If a qualification is approved for funding, it is funded either until the end of the academic year or the operational end-date set by the AO, whichever is sooner⁶. If an AO extends the operational end-date of a qualification, this does not necessarily mean that funding will also be extended.
9. The funding status of a qualification will not be changed without advance notification to the sector and will not normally be changed in-year. Where the funding status of a qualification may need to change, the Agency will seek advice from the QAG and carry out an impact assessment.

(c) The exceptions process

10. Colleges and training organisations, AOs and other key stakeholders can request a review of funding approval decisions using the Exceptions Process. If necessary, the Agency will escalate queries to the QAG.

⁶ This arrangement is currently under review.

(d) The annual strategic review

11. The Agency will carry out an annual strategic review (stock-take) of the publicly funded offer and review that offer against a range of key criteria⁷. The annual stock-take will result in a refreshed list of funded qualifications published at the beginning of the calendar year for delivery in the new academic year beginning 1 August. The annual stock-take will be aligned with the Skills Investment Statement and overseen by the QAG. The first annual stock-take will take place in autumn 2012 and its outcome will be a refreshed list of qualifications published in early 2013 for delivery from 1 August 2013.

(e) Reasons why a regulated qualification may not be approved for funding

12. If a qualification is not approved for funding, it is usually because:
- it is categorised as ‘prescribed’ higher education (for example, degrees, foundation degrees, or Higher Nationals), and therefore not within the remit of the Agency to fund
 - it is ineligible for funding due to statutory or ministerial restrictions (for example, a qualification intended to meet employers’ statutory and/or legal responsibilities)
 - it constitutes an inefficient use of public funding because it should be funded by other public bodies, employers or individuals
 - it is a vocational qualification on the NQF
 - it is a non-vocational qualification on the QCF at Level 2 and above⁸
 - it is a vocational award at Level 2 or 3 on the QCF that has not been confirmed as part of the Offer for the Unemployed, OLASS 4, or as part of an Apprenticeship framework
 - the AO offering the qualification has not signed the Awarding Organisation Agreement for the Personal Learning Record⁹.
13. The Agency focuses funding on vocational qualifications in the QCF that are unit-based and credit-bearing. This is because unit-based and credit-bearing qualifications are particularly suitable for adults and can be more responsive to employer and employment needs. They are also designed with the support of employers and so reflect up-to-date employment standards.

⁷ These criteria may encompass areas such as responsiveness and value for money.

⁸ With the exception of the new QCF English and maths qualifications.

⁹ With effect from 1 November 2012 for newly accredited qualifications and 1 August 2013 for current qualifications.

'Full' qualifications

Any learner aged 19 or more who has not yet achieved a qualification at Level 2 or 3 is eligible for full public funding to achieve a qualification at that level. The term 'full' is used to identify those qualifications which are part of this entitlement.

14. Vocational Certificates and Diplomas at Level 2, and vocational Diplomas at Level 3¹⁰ on the QCF are currently designated as 'full'. Vocational qualifications that are designated as 'full' will be marked on the online list and also flagged on LARA. Vocational Certificates at Level 3 on the QCF are publicly funded, but on a co-funded basis only.
15. From 2012/13 the Agency will flag qualifications at Level 3 and above which are in scope for 24+ Advanced Learning Loans on the online list and on LARA.
16. The Agency continues to use established definitions of 'full' to apply to general qualifications in the NQF. Five General Certificates of Secondary Education (GCSEs) at A*-C are considered 'full' at Level 2 and two A-levels are considered 'full' at Level 3. LARA contains a percentage field to take account of a single GCSE as contributing 20 per cent (with a double award 40 per cent and a short course 10 per cent) and also to take account of AS-levels (25 per cent – so four AS-levels would constitute 'full') with A2s treated the same as A-levels.
17. Competence-based qualifications that are not Certificates or Diplomas at Level 2, or Diplomas at Level 3 which have previously been designated as 'full', are no longer designated as 'full' with effect from 1 August 2012 – although they remain available for co-funding providing they meet relevant criteria.

¹⁰ Some learners may enrol on a higher qualification without having first achieved the previous, lower, qualification (for example, enrolling on a Level 3 qualification without first achieving a full Level 2). For learners enrolling on Level 4 without first achieving a full Level 3, a Diploma at Level 4 will be fully-funded.

Qualifications and Credit Framework Awards

18. QCF vocational awards at Levels 2 and 3 are not designated as 'full' and they are not approved for funding for all learners. This is to prevent learners using their entitlement to a fully funded first full Level 2 or 3 on small qualifications.
19. However, QCF vocational awards at Levels 2 and 3 will be approved for full public funding as part of the Offer for the Unemployed, OLASS 4 or as part of an Apprenticeship framework where the primary purpose is:
 - B – prepare for further learning and training and/or develop knowledge/skills in a subject area
 - C – preparing for employment (excluding Apprenticeships)
 - D1– confirm occupational competence.
20. Awards at entry and Level 1 (both vocational and non-vocational) and awards at Level 4 and above (vocational) are approved for funding in line with learner eligibility and funding rules.
21. Specific Level 2 Awards supported by the Trades Union Congress (TUC) and linked to TUC education will be approved for funding outside of OLASS 4 and the Offer for the Unemployed. These qualifications are flagged on the online list and on LARA.

Higher-level Qualifications

22. The Agency approves higher-level vocational qualifications (currently Level 4 and above) for funding on a co-funded basis. Where a learner is undertaking a Level 4 qualification as part of their Level 3 entitlement, then the qualification must be a Diploma at Level 4.

The pre- and post-19 regulated qualifications offer

The ways in which qualifications are made available for public funding for learners under 19, and for learners over 19 are different.

For learners under 19 the Department for Education approves qualifications via the administrative process of [section 96](#)¹¹. For learners over 19, the Skills Funding Agency is responsible for approving qualifications for public funding.

23. For learners under 19 the direction of travel in terms of which qualifications are available is set out in the [Wolf Review of Vocational Education: Government Response](#) and also the guidance on Key Stage 4 Performance Tables and Study Programmes for 16- to 19-year-olds, [Schools Teaching and Learning Qualifications](#).
24. The Agency recognises that many colleges and training organisations deliver to learners of different ages in the same group. Part of the reason for the Agency to open more of the QCF for public funding is to minimise the difference between the pre- and post-19 qualifications offer. The Agency will continue to work with the Department for Business, Innovation and Skills (BIS) and the Department for Education to align pre- and post-19 qualifications where appropriate.

¹¹ Of the Learning and Skills Act 2000.

English and maths

In January 2011 BIS wrote to AOs to confirm that the Agency will no longer fund the centrally-held test bank that supports Adult Basic Skills (ABS) qualifications. Ofqual has confirmed there will be no new enrolments for qualifications that use the centrally-held test bank (that is, literacy and numeracy ABS Certificates at Levels 1 and 2) after 31 August 2012. The certification end-date for these qualifications is 31 August 2014.

New Challenges, New Chances states that AOs will be able to develop new 'standalone' English and maths unit-based qualifications in the QCF for 2012/13. This recognises that ABS Certificates at Levels 1 and 2 will not be available for new starts after 31 August 2012.

ABS Certificates in English for Speakers of Other Languages (ESOL) at Entry Level, Level 1 and Level 2 will continue to be funded in 2012/13.

25. [Further Education and Skills Reform Plan: New Challenges, New Chances](#) sets out a new policy direction to raise the aspirations and achievements of basic skills learners. This means that from 2012/13 the Agency will fund GCSE English and maths qualifications for adults as well as Functional Skills in English and maths. This is in response to the BIS review of English and maths in 2011/12 and recommendations from the Wolf Review.
26. Entry-level ABS qualifications do not rely on the test bank and will continue to be funded in 2012/13. However, it is expected that colleges and training organisations will offer at entry level either Functional English and maths qualifications or new QCF qualifications as they become available. The table below shows the changes introduced for 2012/13.

2012/13
<ul style="list-style-type: none">• GCSE English and maths (fully funded for all adults not in possession of GCSE A*-C)• Functional Skills, English and maths (all levels up to and including Level 2)• ABS Certificates and Units in literacy and numeracy (entry level) – plus Levels 1 and 2 for learners enrolled by 31 August 2012• New QCF qualifications up to and including Level 2

Part Two: Other Key Information

Recognition of Prior Learning

Recognition of Prior Learning (RPL) is: 'A method of assessment that considers whether a learner can demonstrate that they can meet the assessment requirements for a unit through knowledge, understanding or skills they already possess and do not need to develop through a course of learning'.¹²

27. RPL is different from credit transfer and exemption because it does not relate to learning that has been assessed and formally certificated. Used within the QCF, RPL enables learners to have previously uncertificated achievement recognised where appropriate and to claim credit for that achievement.
28. Although there is no restriction on the proportion of credit within a qualification that may be achieved through RPL, individual AOs produce their own guidance and policies on RPL and colleges and training organisations should be aware of these.
29. During 2012/13 the Agency will monitor the use of RPL in order to better understand costs per learner and ensure that the current parameters for RPL are correctly set. For more information on RPL see the [Funding Rules 2012/13](#).

¹² Regulatory arrangements for the Qualifications and Credit Framework (August 2008, Ofqual).

Unit delivery

Unit delivery enables learners to enrol on units within the rules of combination of QCF qualifications and to undertake learning and achievement on a more flexible and incremental basis. By achieving units, learners are able to accumulate credit directly towards a target qualification.

30. In 2012/13 the Agency has made units within the rules of combination of vocational (and non-vocational at entry and Level 1) QCF qualifications confirmed for funding available for the Offer for the Unemployed and OLASS 4. The Agency has also provided guidance on unit delivery ([Unit Delivery](#)) to encourage the delivery of programmes of units to support learners towards employment or qualification achievement.
31. The following list is not exhaustive, but it gives an indication of some of the features that the Agency expects to see in programmes of units. They should:
- include units that respond to locally assessed skills needs, and support growth sectors
 - deliver an appropriate mix and balance of employability units with directly vocational and occupational units
 - deliver a level of challenge appropriate to the learner to facilitate progress
 - in the main use units that are shared across AOs to facilitate credit transfer and enhance qualification achievement
 - avoid units with large credit values, so that each programme is a coherent package of units supporting smaller pieces of learning, allowing the accumulation of credit which may be used later towards a target qualification
 - be of sufficient size to allow the features above to be delivered, for example a minimum of three credits.
32. Once a college or training organisation has designed a suitable programme of units to offer, they should check the individual units against the criteria below (paragraph 33) and check on LARA to confirm that the units have been approved for funding. They should also ensure that the AO offering the units is able to award the unit and credit and also to confirm registration and assessment arrangements.

33. As well as being within the rules of combination of qualifications approved for funding within the Adult Skills Budget (ASB), individual units offered as part of the Offer for the Unemployed and OLASS 4 must:
- i. be between entry Level 1 and Level 4 inclusive (that is, units at Level 5 and above are not eligible).
 - ii. be in line with purposes B¹³, C¹⁴ or D1¹⁵, (or, for entry and Level 1 only, A¹⁶).
 - iii. not have a Sector Subject Area of 9.1¹⁷, 9.2¹⁸, 10¹⁹, 11²⁰ or 12²¹.
 - iv. not be ineligible for funding because it is linked to continuing professional development or licence to practice or deemed an 'inefficient use of public funding' (this includes qualifications normally supported by employers, such as standalone health and safety, first aid, or food hygiene).
34. Unit Delivery Trials have not been continued in 2012/13. Instead, building on the Trials, the Agency will work with a small group of colleges and training organisations and their AOs to research further into the operational aspects of unit delivery. This work will take place outside the Offer for the Unemployed and OLASS.

Recording unit delivery

35. When recording unit delivery, colleges and training organisations should complete the Individualised Learner Record (ILR) as normal, in compliance with the latest guidance published by *the information authority*. If units are the learning aim, this should be recorded on the ILR using the normal Learning Aim field (A09). The employment status of the learner should be recorded in the employment status fields in the ILR.
36. Colleges and training organisations should bear in mind that the purpose of unit delivery is not to maximise success rates or funding. Units should not be recorded as learning aims where the learner intends to complete the full qualification in a linear manner.

¹³ Prepare for further learning or training and/or develop knowledge and/or skills in a subject area

¹⁴ Prepare for employment

¹⁵ Confirm competence in an occupational role to the standards required

¹⁶ Recognise personal growth and engagement in learning

¹⁷ Performing Arts

¹⁸ Crafts, Creative Arts and Design

¹⁹ History, Philosophy and Theology

²⁰ Social Sciences

²¹ Languages, Literature and Culture.

Qualification and unit success rates

Success rates are based on successful completion of the learning aim entered on the ILR. At present, if a full qualification is entered as the learning aim on the ILR and the learner achieves units but not the qualification, the unit(s) achieved will not affect success rates. Likewise, if units are entered as the learning aim, their achievement will not affect success rates.

37. The Agency intends to include units in the success rate calculation where they are entered as the learning aim with effect from 2013/14 (aligning with the start of the simplified funding methodology). In the meantime, informal results will be generated for colleges and training organisations to understand the impact on their success rates and to make necessary preparations for 2013/14.

Non-regulated provision

Non-regulated provision is provision that exists outside the QCF and NQF.

The Agency will reduce funded non-regulated provision where there is minimal learner demand or where a suitable alternative exists on the QCF.

38. During 2011/12 the Agency reduced the amount of non-regulated, publicly funded provision in two stages, completing on 31 July 2012. The full list of non-regulated learning aims for which funding has ceased is available in [Non-Regulated Provision](#) on the Agency's website.
39. Some non-regulated provision will continue to be funded. This includes qualifications undertaken by some learners with severe learning difficulties and disabilities, where it would be inappropriate for the provision to go into a regulated framework.
40. There is also some non-regulated provision offered within OLASS 4 by Specialist Designated Institutions or within Formal First Steps and Community Learning, where funding will continue. The Agency will monitor the non-regulated provision that is funded, and continue to encourage colleges and training organisations to focus on QCF units and/or qualifications.

The Personal Learning Record

The Personal Learning Record (the PLR) is a free, online service that enables learners, colleges and training organisations to view learner achievement to date and identify the most suitable provision for future learning. Colleges and training organisations can use the PLR as a guide in forming a coherent programme for the learner that leads to credit accumulation towards full qualifications. The PLR will also be important in supporting the delivery of advice and guidance to learners, and in effective and efficient learner enrolment.

41. The PLR is particularly useful in the context of unit delivery. Data available on the PLR include: subject, level, grade, credit, source, start date, end date, award date, reference code, AO, grading type and minimum guided hours. All providers involved in unit delivery should use the PLR to support learners in understanding routes to achievement.
42. The Agency will work with AOs to assist the continued roll-out of the PLR. It is important that colleges and training organisations ensure that an accurate Unique Learner Number (ULN) is provided for each learner entered for qualifications, to support AOs in the accurate uploading of achievement data to the PLR.
43. Learners do not have immediate access to the PLR, but any college or training organisation registered as a Learner Registration Body (LRB) with the Learning Records Service (LRS) can arrange access for the learner.
44. The LRS Customer Helpdesk is available by telephone on 0845 602 2589 or by email at lrsupport@learningrecordsservice.org.uk. The LRS website is www.learningrecordsservice.org.uk.

The Innovation Code

The Innovation Code (the Code) is a recommendation in Baroness Sharp's report [A dynamic nucleus: Colleges at the heart of communities](#) (November 2011) and in *New Challenges, New Chances*. It is a mechanism through which providers can deliver a qualification in response to local employer needs while working simultaneously with an AO to migrate the qualification onto the QCF.

45. The Code is a mechanism designed to help colleges and training organisations respond rapidly to local business, employer and employment needs, and meet current and emerging skills gaps.
46. The Code does this by allowing adult learners to enrol on a course which does not currently lead to an accredited QCF qualification. While they are delivering the course, the college or training organisation works with an Ofqual recognised AO to develop a qualification for the course.
47. By developing a qualification for the course, the learner's achievement and skills gain can be recognised nationally and made portable and transferable.
48. The Agency has produced documents to support colleges and training organisations in using the Code, setting out the learning reference aims available for use with the Code, information on funding rates and links to other useful sources of information. These are available on the [Innovation Code](#) section of the Agency's website.
49. Colleges and training organisations wishing to use the Code must be on the Agency's Register of Training Organisations and must be currently delivering ASB or OLASS 4 provision. Existing funding, learner eligibility and entitlement rules apply, as set out in the Agency's [Funding Rules 2012/13](#).
50. The Code is intended for provision that has the support of business and employers and is responsive to local skills needs, but is not currently on the QCF. In delivering provision developed through the Code, colleges and training organisations should work towards migration of the provision to the QCF so that learners' achievements are recognised nationally and are transferable.

51. The Code should not be used for provision which is ineligible for public funding, that is, where it is expected that either the learner or employer should pay. It should not be used to offer non-regulated versions of regulated qualifications, or to deliver qualifications which the Agency has already ceased to fund.
52. There is no additional funding for provision delivered under the Code: provision must be delivered within an existing allocation. The Code is meant for participation and should not be used to pay the costs of developing new qualifications in partnership with an AO.
53. Provision delivered through the Code will not affect the college or training organisation's Qualification Success Rate or Minimum Levels of Performance.
54. Any college or training organisation that is considering using the Code can contact their Relationship Manager to discuss whether this is appropriate.

Skills Funding Agency

Cheylesmore House

Quinton Road

Coventry CV1 2WT

T 0845 019 4170

F 024 7682 3675

www.bis.gov.uk/skillsfundingagency



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