

Circular 00/02

Funding

Funding Methodology: Review of the Tariff for 2000-2001

Summary

This circular is of interest to college principals, chief education officers, heads of external institutions, heads of higher education and institutions receiving Council funds. It is in three sections. Part 1 consults institutions on the tariff advisory committee's proposals for the funding tariff for 2000-01.

Part 2 provides institutions with information on the progress of the review of geographical and institutional factors and consults institutions on the conclusions reached. Part 3 calls for evidence to assist the Distributed Open and Distance Learning TAC subgroup's review of the tariff for open and distance learning.

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Funding Methodology: Review of the Tariff for 2000-01

Introduction

1 This circular has three parts; their purpose is as follows:

- part 1 – to consult institutions on the proposals of the tariff advisory committee (TAC) for the funding tariff for 2000-01
- part 2 – to provide institutions with information on the progress of the review of geographical and institutional factors and to consult on the conclusions reached
- part 3 – to call for evidence to assist the distributed open and distance learning (DODL) TAC subgroup's review of the tariff for open and distance learning.

Timetable

2 Response dates are shown in table 1.

Table 1. Response dates

Date	Return	Documentation
28 February 2000	Consultation	Annex A to 00/02
28 February 2000	Institutional and geographical review: Staffing aspects in the tariff	Annex C to 00/02
28 February 2000	DODL: Call for evidence	Annex E to 00/02*

**an earlier return would be helpful to enable further analysis for the TAC meeting in March*

Part 1: Consultation on TAC Proposals

Introduction

3 This part of the circular sets out for consultation the TAC's proposals for the funding tariff for 2000-01. This circular should be read in conjunction with Circular 99/54 (*Revised Funding Methodology for 2000-01, Including Curriculum 2000*) which contains further details of the funding methodology relating to the implementation of curriculum 2000 for full-time 16–18 year olds from September 2000. In addition, annex B to Circular 99/54 contains details of the proposed simplification of the funding methodology which is relevant to all provision and institutions.

Background

4 This circular is written in the light of the work of the stage 2 working group on the review of the funding methodology which published its report to the sector in September 1998. It takes into account the implementation of curriculum 2000 for full-time 16–18 year olds from September 2000, and the proposed new arrangements for post-16 education and training and the establishment of the Learning and Skills Council (LSC) in April 2001.

5 The implementation of these arrangements for post-16 education and training will inevitably lead to significant changes for institutions. In the light of this, the TAC advised that changes to the tariff for 2000-01 should be limited to those essential to take forward key government priorities.

Summary of changes for 2000-01

6 The proposals on which the sector is now being consulted include:

- the tariff for GCE A level General Studies courses
- the introduction of narrower bands for additional support
- a proposal to consult further on changes to the requirement for the student and/or parent or advocate to sign the additional costs form

- achievement units for adult basic education and English for speakers of other languages (ESOL) courses
- the outcomes of the review of English as a foreign language (EFL) qualifications
- assignment of cost-weighting factors (CWF) to qualifications.

Individually listed qualifications

7 The Council has continued to extend the number of qualifications individually listed in the tariff each year since 1995-96. In 1999-2000, it is estimated that 80% of the total enrolments on Council-funded qualification aims, including NVQs, are now covered by individual listing. This represents 87% of funded units, compared with 74% for 1998-99.

8 At its meeting on 16 September 1999, the TAC agreed that to encourage stability, the process of extending the individual listing of qualifications should be temporarily suspended for 2000-01. It considered that the evidence based approach to identifying the tariff value of a qualification described above should be commended to the LSC and that it should be encouraged to adopt a similar approach in determining tariff values in its funding methodology.

9 Where an institution considers that there are particular circumstances to warrant individually listing a qualification, the Council may consider, exceptionally, undertaking further analysis of the data. **Institutions which consider they have an exceptional case, should contact Claire Egan at the Council's Coventry office by 28 February 2000.** Joint submissions by two or more institutions are encouraged.

Proposed change

Tariff for GCE A level General Studies

10 The tariff for GCE A level General Studies is discussed in Circular 99/54 (*Revised Funding Methodology for 2000-01, Including Curriculum 2000*) and has been the focus of previous consultation. The sector was consulted in Circular 96/28 (*Funding Methodology: Review of*

the Tariff for 1997-98) on the TAC's proposals for the tariff for 1997-98. These included a recommendation for the tariff value of GCE A level General Studies as part of a full-time programme to be 22 units. This reflected the lower level of staff time generally associated with the delivery of this qualification.

In 1998-99 the median number of guided learning hours (glh) assigned to GCE A level General Studies was 76 compared to 340 for other A levels. The number of actual glh is significantly at variance with the tariff units assigned presently to the qualification.

11 The proposal to reduce the tariff was supported by the majority of the sector, but opposed by the majority of sixth form colleges. The Council agreed at its meeting of 11 December 1996 not to recommend this change, but to leave the issue to be considered as part of the fundamental review of the tariff.

12 The TAC considers that it would now be appropriate to consult the sector on this proposal once again. The report of the stage 2 working group confirmed that the guided learning hour is still the most appropriate basis for determining the tariff. The TAC believes the funding unit value should be set at 12 funding units in recognition of the lower number of glh involved in its delivery. It wishes to consult the sector on this proposal.

Additional support mechanism

13 During 1998-99, the Council commissioned the Further Education Development Agency (FEDA) to undertake an evaluation of the additional support mechanism in the tariff. Its findings were reported to the TAC at its meeting on 15 July 1999.

14 The evaluation shows that the sector broadly welcomes the commitment of the Council to funding additional support and strongly supports the additional support mechanism. Some aspects of the additional support mechanism were not sufficiently well understood. The TAC considered that further guidance should be offered to the sector on the operation of the additional support mechanism to facilitate its wider use and to ensure equity in

its application. Consequently, FEDA is to provide a guidance document and a series of staff development seminars for the sector during 1999-2000.

15 The TAC considered, however, that the sector should be consulted on two recommendations. These are:

- a. increasing the number of bands used in the additional support mechanism and thereby making them narrower;
- b. undertaking further consultation on removing the requirement that the student and/or their parent or advocate sign the additional support costs form.

Increasing the number of bands

16 The sector agreed in the consultation on the tariff for 1999-2000, that for 2000-01, that additional support is calibrated so that the number of units in each band, multiplied by the sector ALF, gives a monetary amount equivalent to the mid-point in the band.

17 The FEDA report concluded that there was strong support in the sector for increasing the number of bands used in the additional support mechanism and thereby improving the relationship between expenditure incurred on additional support and the funding units claimed. It concluded that there is evidence that student support is identified on the basis of band thresholds rather than need. Narrower bands would moderate the impact upon students and introduce greater targeting of funds.

18 For 2000-01, the TAC recommends that the number of bands be increased to better reflect the actual expenditure on additional support for the individual student. It considered that the threshold for full- and part-time students should remain at the present value, but that subsequent bands should be divided as illustrated in the table of values at appendix 1 to annex A. Where a student's support exceeds the value of the top band, institutions are invited to consult the regional office with details of the expenditure incurred.

Additional support costs form

19 The report identified widespread concern within the sector that students and/or their advocate sign the additional support costs form. Practitioners reported that this concern was shared by many students. The requirement was found to be difficult to implement.

20 The TAC considered that since this was a recommendation of the Tomlinson committee, which reported in June 1996, it should be consulted upon further. The recommendation was intended to encourage greater participation by students in the assessment of their additional support needs and to facilitate greater student autonomy. TAC members are particularly concerned that the views of students, their parents and their advocates, are sought directly in addition to those of college staff.

21 For 2000-01, the TAC recommends that the proposal be put forward for wider consultation with a view to consideration for 2001-02. It was suggested that an organisation such as SKILL, could be invited to assist in the further consultation process.

Enhanced achievement units for basic skills and ESOL courses

22 At present, Council-funded institutions can claim the achievement element for basic skills programmes only where these lead to externally accredited qualifications. There is, however, no requirement under schedule 2 to the *Further and Higher Education Act 1992* (the Act) that basic skills and ESOL programmes should lead to qualifications. The recent inspectorate report *Numeracy, Literacy and ESOL: Evaluation of Entry and Level 1 Awards* indicates that external qualifications may not always be appropriate for learners at this level.

23 The Moser report *Improving Literacy and Numeracy: A Fresh Start*, published in March 1999, recommended that the Council should modify its funding mechanism to provide incentives for institutions to increase the scale of adult basic skills provision.

24 One such incentive could be for the Council to agree that under certain circumstances, students who complete basic skills and ESOL programmes which do not lead to an externally accredited qualification would earn achievement units. This would reduce the incentive to enter students for qualifications which might not meet their learning need, but were entered for these to gain additional units for the institution.

25 The proposal for consideration is to adopt a two-staged approach. For 2000-01 it is proposed that basic skills and ESOL students would be entitled to achievement units for achieving primary learning goals set within the new standards for basic skills produced by the Qualifications and Curriculum Authority (QCA). Primary learning goals should be negotiated between the college and the learner. Inspections will review programmes to ensure that such goals are suitably challenging.

26 In 2001-02, the value of achievement units would be enhanced for learning programmes linked to national standards such as the proposed national tests in literacy and numeracy at levels one and two which were recommended in the Moser report. Learners who achieved these would be eligible for an uplift in achievement unit linked to the National Learning Targets for England for 2002. Enhanced achievement units could be extended to a wider range of qualifications following further consultation and advice from the inspectorate.

Review of English as a foreign language (EFL) qualifications

27 European law enables students from the European Union (EU) to access vocational training in England funded by the Council. English as a foreign language courses would not normally fall within the definition of vocational training as defined by the European Court of Justice, and would therefore not normally qualify for Council funding where individuals from EU countries wish to come to England to study.

28 In 1998-99, the Department for Education and Employment (DfEE) excluded EFL qualifications, other than NVQ language units,

from the approved list of vocational qualifications falling within schedule 2(a) to the *Further and Higher Education Act 1992* (the Act).

29 In order not to disrupt college provision, the Council agreed for 1998-99 to place EFL qualifications temporarily within schedule 2(f) which is teaching English to students where English is not the language spoken at home. This was subsequently extended to include the college year 1999-2000, to allow enough time for a review of the funding of these qualifications and to consult on any potential changes.

30 An EFL task group, consisting of practitioners from colleges and an external institution, has met with Council staff and the DfEE to consider the further guidance to be provided in the sector in respect of EFL qualifications for 2000-01. A copy of its report is available on the Council web-site on www.fefc.gov.net/documents/othercouncilpublications

31 The task group has reviewed the information available and has made recommendations to take effect from August 2000. These are:

- all EFL qualifications (as shown on the qualifications database as eligible in 1999-2000) will continue to be eligible for funding under schedule 2(f) which is teaching English to students where English is not the language spoken at home.
- students from the EU who are resident in England should be eligible for Council-funded externally accredited EFL or ESOL qualifications if appropriate to meet their identified learning needs
- students from overseas or EU students visiting England with the sole intention of learning English would be ineligible for funding for EFL courses.

32 Advice on student eligibility will be set out in the tariff circular for 2000-01.

33 The TAC therefore wishes to consult the sector on the proposals of the review group for the future funding of EFL courses. Institutions wishing to comment should complete the form at annex A.

Assignment of cost weighting factors to qualifications

34 The TAC does not propose to make any changes to the assignment of the five cost-weighting factors (CWFs) to qualifications for 1999-2000.

35 Institutions wishing to propose changes in the assignment of CWFs to individual qualifications are required to compare the costs of the qualification for which they are seeking a change to one already offered by the institution which carries this CWF. Institutions are required to complete a costs analysis. **A copy of the costs analysis questionnaire may be obtained from Claire Egan by contacting her on 01203 863205.** Joint submissions by two or more institutions are encouraged. **Institutions are invited to send the costs analysis and any appropriate additional evidence to the Council together with a copy of annex B to this circular by 28 February 2000.**

36 Institutions are reminded that the Coopers and Lybrand study, *The Costs of Further Education* (published May 1995) confirmed that the main determinants of the CWFs in priority order are:

- staff costs including teaching support staff, deemed to be closely related to group size
- consumables
- space occupancy expenditure.

Institutions are also reminded that from 1997-98, the CWFs take account of depreciation in respect of capital costs.

37 Any institution wishing to comment on the proposals for the tariff for 2000-01 is invited to complete the tariff questionnaire at annex A. **This should be returned to Claire Egan at the Council's Coventry office by 28 February 2000.**

Part 2: Progress on the Review of Geographical and Institutional Factors

Introduction

38 This part of the circular provides institutions with information on the progress of the review of institutional and geographical factors. It consults the sector on the conclusions reached so far on the review of institutional and geographical factors.

Background

39 At its meeting held on 29 January 1998, the Council agreed to review institutional and geographical factors for all colleges and invited the TAC to consider the results of such a study alongside a further consideration of the London weighting factor (LWF). The outcomes of the review will inform the long-term development of the tariff.

40 As announced in *Council News* No. 46, the TAC advised that four priorities be pursued:

- two college-related
 - rural and isolated colleges
 - specialist colleges
- two cross-college themes
 - staffing
 - buildings.

41 The Council accepted the recommendation that the review should be completed in time for consultation on the 2000-01 funding round.

42 Institutions which receive funding from the Council were invited in Circular 98/34 (*Funding Methodology: Role of the TAC; review of the tariff for 1999-2000; review of institutional and geographical factors*), to provide evidence to the Council in support of a case for a particular geographical and institutional factor.

43 A subgroup of the TAC has been established for each area of work. The membership of each group and its terms of reference are to be found at annex D to this circular.

Progress of the review

44 The TAC subgroup on staffing has concluded the major part of its work which is described below in paragraphs 46 and 47. The groups considering rural and isolated colleges, specialist colleges and buildings-related issues have considered the evidence provided and identified key aspects for further research. This is being undertaken and a report on the outcomes and further recommendations will be available for consideration in spring 2000. The impact of curriculum 2000 on available resources has meant that the Council has been unable to take forward this research as speedily as it would wish to have done.

45 At its meeting on 16 September 1999, the TAC agreed that in the light of the proposed new post-16 funding arrangements, the groups should reconsider the focus and timescale for further development. It was noted that from April 2001 the responsibility for funding will transfer to the Learning and Skills Council (LSC). The LSC will be responsible for funding a much wider range of institutions than is presently funded by the Council. It would therefore be unwise to commit the LSC to fundamental funding changes which may have unforeseen and long-term consequences for the wider range of institutions to be funded. The groups have therefore been asked to consider any aspects of the review which may be taken forward in the short term. This should take into account the impact of the proposals outlined in annex B of Circular 99/54 (*Revised Funding Methodology for 2000-01 Including Curriculum 2000*) and the additional funds made available to the Council for access, childcare and residential bursaries. A major contribution for the groups to make will be to highlight the issues for the LSC to take forward in developing its new funding methodology. A further report will be made to TAC at its meeting in March 2000.

The TAC subgroup on staffing

46 As announced in Circular 98/34, the Council decided to tackle staffing, to inform the review of London costs factors for 1999-2000, as one of the first priorities.

47 The TAC subgroup on staffing is chaired by Dr Gordon Hopkins of Dudley College and has had representation from three London colleges and Cumbria, Kent and Liverpool. The group met five times between March and June 1999. As part of its work, it commissioned a study by independent consultants, Maxwell Stamp plc, to advise on the geographical areas within which additional funding should be paid to institutions to recognise the higher rates of pay they incur because of labour market conditions. It was invited to make recommendations on the level of funding to be paid in each area.

Maxwell Stamp plc report

48 The report is available on the Council's website (www.fefc.ac.uk). It provides a robust empirical basis for the review. The study considers a range of studies and practices in calculating and estimating regional pay differences, including the approach adopted by the police, the NHS, the private sector and teachers' pay. In addition, a comprehensive analysis has been undertaken of the data supplied to the Council by colleges of their staffing costs over three years from 1993-94 to 1996-97 and confirms that this provides a valid base upon which to identify regional pay differentials. Table 1 details the outcome of the work which identifies revised geographical weightings based upon the review of the evidence available from FEFC base data on staffing costs.

Table 1. Revised geographical weightings identified in Maxwell Stamp plc report

Regional Weighting	Allowances using FEFC data		
	(1) Raw Wage Differentials	(2) New FEFC Differentials	(3) Current Model
London A	1.33	1.18	1.12
London B	1.23	1.11	1.12
London C	1.14	1.05	1.06
Surrey	1.08	1.01	1.03
Sussex	1.08	1.01	1.00
Bedfordshire	1.08	1.01	1.00
Essex	1.08	1.01	1.03
Berkshire	1.08	1.01	1.00
Buckinghamshire	1.08	1.01	1.00
Hertfordshire	1.08	1.01	1.00
Kent	1.08	1.01	1.03
Greater Manchester	1.07	1.01	1.00
Hampshire	1.07	1.01	1.00
West Midlands	1.09	1.01	1.00
Rest of England		1.00	1.00

London A = Camden, Tower Hamlets, Hackney, Kensington and Chelsea, Southwark, Westminster, Islington, City of London

London B = Haringey, Hammersmith, Lambeth, Newham, Brent, Greenwich, Lewisham, Wandsworth

London C = Harrow, Redbridge, Kingston, Hillingdon, Barnet, Hounslow, Richmond, Croydon, Merton, Barking, Ealing, Enfield, Waltham Forest, Bromley, Havering, Bexley, Sutton

Estimated regional wage differentials - FEFC data

Regional weighting allowances - FEFC data

49 The report:

- provides strong evidence to confirm the Council's approach in 1998-99 to allocate a higher weighting to colleges in London, particularly the city of London
- can find no evidence to support the case for a single uniform weighting for London
- identifies a case for London to be split into three areas; an inner, middle and outer core and from the evidence provided by colleges, calculates values of 1.18, 1.11 and 1.05 respectively
- recognises a case for weighting around London
- recognises that the majority of the rest of England had very low differentials with values that were not statistically significant
- concludes that there is some empirical evidence for relatively higher wage differentials for Greater Manchester and the West Midlands, although the case for the West Midlands is relatively weak and the balance of evidence from other studies does not indicate a high value for both areas.

TAC subgroup recommendations

50 The TAC subgroup reported its findings to the Council at its meeting on 30 June 1999. It endorsed the use of FEFC base data and the report's conclusions. It suggested that the data could be refined in the future by extending the staff individualised record (SIR) to collect actual salary information. The sector has since been consulted on this in Circular 99/41. In the light of this refined data, the group considered that the Council may wish to consider revisiting geographical weightings on a three- to five-year cyclical basis. This would enable it to keep the evidence for areas such as Greater Manchester and the West Midlands under review. It considered that the report confirms the evidence previously accepted by the Council that the case for recognising additional London costs is not one that a responsible public body can safely ignore.

51 It recommended that Council:

- a. confirm the present London weightings as the baseline for institutions in 1999-2000;
- b. phase in the new geographical weightings and round up the weightings to 1.18, 1.12 and 1.06 for London and 1.03 for counties around London, to ensure that no institution received a reduced allocation;
- c. take forward the consideration of weightings in other parts of the country in the light of the other aspects of the institutional and geographical review and on the basis of further data provided by an enhanced SIR;
- d. consult the sector and;
- e. in the light of the establishment of the LSC, the report and its conclusions on the use of FEFC base data in defining regional weightings should be highlighted to the Department for Education and Employment (DfEE) to be taken forward in the new arrangements.

Cost implications

52 The full cost of implementing the Maxwell Stamp plc model for increased allowances for inner core and some middle core areas of London would be in the region of £9.4 million. However, because of the impact of convergence this would be £3.5 million in year 1 (2000-01). This would include the cost of safeguarding the present position for colleges otherwise likely to see a reduction in their weighting factor.

53 The Council considered the TAC's recommendations and decided to confirm the present London weightings for 1999-2000. It requested that the sector be consulted further in the review of the tariff in autumn 1999.

54 The TAC wishes therefore to consult the sector on the proposals outlined in annex C. It will consider its further recommendations to the Council on the outcomes of the consultation and in the light of the shared funding responsibilities between the Council and the LSC in 2000-01. Any institution wishing to comment should use the form at annex C to this circular.

Part 3: Call for Evidence

Introduction

55 This part of the circular calls for evidence to assist the distributed open and distance learning (DODL) subgroup of the TAC in its review of the tariff for DODL for 2000-01.

Background

56 The report of the stage 2 working group on the fundamental review of the funding methodology (published in September 1998), recommended that the TAC set up a subgroup to keep new modes of learning, and in particular, developments in distance learning, under review.

57 Before incorporation, open and distance learning was assigned a relatively low weighting, 0.075 of a full time equivalent (FTE), compared with other modes of provision. As a result,

despite national initiatives such as Open Tech, Open College and several years of Education Support Grant funding, it remained a minority activity within most further education colleges.

58 The Council introduced the relative level of funding available to open and distance learning within its funding methodology introduced in 1994-95. Numbers have grown steadily, but it remains a relatively small proportion of overall provision. In 1994-95, it represented 3.2% of all students; by 1997-98 this had grown to 5.2% or 2.1% of all FTEs. An analysis of qualifications delivered via DODL show that CLAIT is the most used with 16,550 enrolments in 1997-98. Retention is generally high but the achievement rate is low, in some cases as low as 2% of all enrolments.

59 With the introduction of the University for Industry (Ufi) and an increase in queries from colleges planning to set up large-scale distance learning programmes, the TAC considered that it was an appropriate time to review the tariff for DODL. This has to date focused on the requirements of traditional paper-based learning. Subsequently, the TAC announced in Circular 99/01 (*Tariff 1999-2000*) the establishment of a subgroup to consider the treatment of distance learning in the tariff in the light of developments in new technology, for example, learning through the Internet.

60 At its meeting of 15 July 1999, the TAC agreed to the subgroup's recommendation that an interim tariff for distance learning be piloted in 1999-2000 to enable further evaluation to take place and to consider the issues raised by this mode of learning in more depth. The group were asked to undertake further research, to monitor the interim tariff and to recommend the tariff for 2000-01 in the light of this work.

61 The membership of the group and its terms of reference are attached at annex F.

Institutions requiring further advice on the interim tariff should contact Claire Egan in the Coventry office on 02476 863205.

Work of the DODL subgroup

62 The group has met on five occasions, during which it has received evidence from a number of providers of DODL. These have included presentations from providers of paper-based learning packages, providers of drop-in learning centres using flexible learning packages, and providers of computer-based learning programmes delivered through the Internet. It intends to report its interim conclusions to TAC at its meeting in March 2000. In addition, the inspectorate is to conduct a national survey of DODL as part of the inspectorate programme for 1999-2000 and will link into the DODL group.

Interim conclusions

63 The group has concluded that :

- DODL requires further definition
- there may be a need to differentiate between traditional paper-based DODL, and on-line learning in the tariff
- the flexibility of DODL poses particular challenges for funding arrangements, including inspection and audit.

64 The funding methodology is designed to reflect the recurrent costs incurred by institutions in delivering provision, rather than developmental or capital costs. It uses guided learning hours (glh) as a basis for determining the tariff for a qualification. This was considered by the stage 2 working group in its review of the tariff to continue to be the most appropriate basis for determining the tariff as staff costs continued to represent the greatest resource input to delivering a learning programme. It was recognised, however, that new modes of learning meant this should be kept under review, hence the establishment of the DODL subgroup.

65 The review so far undertaken of DODL indicates that staff cost remains a key element. The stage in the learning process when they are incurred may, however, vary in DODL. For instance, an effective learning package, be it delivered by post, drop-in workshop or through

the Internet, is likely to have incurred considerable staff development time in its preparation. The more successful the package, the less likely is tutor support required during the actual learning process by the student. In addition to tutor costs, there are indications that there may be greater supplementary staffing costs required for learner support in DODL including technician and administrative staff costs.

66 The balance of recurrent to capital costs incurred in delivering DODL may be different to those incurred in other provision. Capital and infrastructure costs may be greater, especially in the delivery phase. It is not clear from the evidence so far available, however, that overall costs are greater. They may in some instances be less, once the initial development stage has been completed and the capital infrastructure is in place.

67 Not all DODL involves colleges in material development or large infrastructure costs. Members have identified that some colleges have entered into franchise or other agreements with existing providers of distance learning material either paper-based or through the Internet. Learners have not always had access to tutor support. In some cases, it is clear that such arrangements have provided the college with a high income with little investment or tangible benefit to the learner. Members considered that they would not wish to encourage such practices.

68 There is little evidence of learners in open and distance learning accessing additional support, childcare, tuition fee remission or other aspects of college support. Members considered this may be reflected in the generally poor achievement rate. It was agreed that the tariff should encourage the provision of high-quality support services, including tutor support in the most appropriate way to meet the learners' needs.

69 Members noted that there appeared to be a group of learners, especially those accessing learning packages through the Internet, who will learn without tutor support once they receive self-study materials. The college is not required to provide tutor support and therefore its recurrent costs are lower. This raises the question as to the extent to which such independent learners should be eligible for Council funding through the tariff.

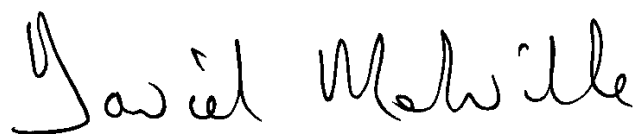
Call for Evidence

70 The group considered that further evidence was required of the comparative costs of DODL compared to conventional course delivery to enable the tariff to be set appropriately.

71 Institutions are invited to provide evidence of the types of DODL they currently deliver. The group are particularly interested in receiving details of delivery through:

- the Internet
- video-conferencing
- cable television
- radio
- video or audio-based learning materials
- other aspects of new technology.

72 A questionnaire is provided at annex E to this circular. **This should be returned to Claire Egan by 28 February 2000.** Earlier responses will be helpful to assist in the further analysis required in order to provide a report to TAC in March 2000. **Responses by email are welcome (claire.egan@fetc.ac.uk).** Comments and further evidence on the operation of the interim tariff are also welcomed.



Consultation on the Tariff

(Reference Circular 00/02)

Please photocopy, complete and return this form to Claire Egan at the Council's Coventry office by 28 February 2000. This form is available on the Council's website (www.fefc.ac.uk).

Name of institution

Contact name (*please print*)

Signature

Telephone number

E-mail address

THE FURTHER EDUCATION FUNDING COUNCIL

Cheylesmore House
Quinton Road
Coventry CV1 2WT

Telephone 024 7686 3000
Fax 024 7686 3100

Proposal	Support	Do not support	Comment
GCE A level General Studies			
1 The tariff for GCE A level General Studies to be reduced (paras 9-11) (If you do not support the proposal, please suggest an alternative number of units which you consider to be appropriate)	<input type="checkbox"/>	<input type="checkbox"/>	
Additional support mechanism			
2 The number of additional support bands to be increased (paras 12-17)	<input type="checkbox"/>	<input type="checkbox"/>	
3 Further consultation to be undertaken on the requirement for students and/or their parent or advocate to sign the additional costs form (paras 18-20)			
Enhanced achievement units for Basic skills and ESOL courses			
4 Achievement units for adult basic education and ESOL courses for achieving primary learning goals set within the new standards for basic skills produced by the QCA in 2000-01 (para. 24) Enhanced achievement units linked to national standards to be available from 2001-02 (para. 25)	<input type="checkbox"/>	<input type="checkbox"/>	
Review of EFL qualifications			
5 EFL courses as listed on the ISR database to continue to be eligible for funding (para. 29) Student eligibility for Council funding to be the key factor (para. 30)	<input type="checkbox"/>	<input type="checkbox"/>	

Additional Support Bands

<i>Band minimum</i>	<i>Band maximum</i>	<i>Units per student</i>
170	500	19
501	1000	44
1001	1500	73
1501	2000	102
2001	2500	131
2501	3000	160
3001	3500	189
3501	4000	218
4001	4500	247
4501	5000	276
5001	5500	305
5501	6000	334
6001	6500	363
6501	7000	392
7001	7500	421
7501	8000	450
8001	8500	479
8501	9000	508
9001	9500	537
9501	10000	566
10001	10500	595
10501	11000	624
11001	11500	653
11501	12000	682
12001	12500	711
12501	13000	740
13001	13500	769
13501	14000	798
14001	14500	827
14501	15000	856
15001	15500	885
15501	16000	914
16001	16500	943
16501	17000	972
17001	17500	1001
17501	18000	1030
18001	18500	1059
18501	19000	1088

Proposals for Changes to Cost-weighting Factors

**THE
FURTHER
EDUCATION
FUNDING
COUNCIL**

(Reference Circular 00/02)

Please photocopy and return this form to Claire Egan at the Council's Coventry office by 28 February 2000.

Cheylesmore House
Quinton Road
Coventry CV1 2WT

Telephone 024 7686 3000
Fax 024 7686 3100

Name of institution

Contact name *(please print)*

Signature

Telephone number

E-mail address

Subject group	Subject code	ISR qualification no.	Title	Existing CWF	Proposed CWF
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Review of Institutional and Geographical Factors

**THE
FURTHER
EDUCATION
FUNDING
COUNCIL**

(Reference Circular 00/02)

Please photocopy, complete and return this form to Claire Egan at the Council's Coventry office by 28 February 2000. This form is available on the Council's website (www.fefc.ac.uk).

Cheylesmore House
Quinton Road
Coventry CV1 2WT

Telephone 024 7686 3000
Fax 024 7686 3100

Name of institution

Contact name (*please print*)

Signature

Telephone number

E-mail address

Proposal	Support	Do not support	Comment
Proposal (para. 51):			
1 The baseline for geographical weightings for each institution should be the values agreed for 1999-2000	<input type="checkbox"/>	<input type="checkbox"/>	
2 No institution should receive a reduced allocation in 2000-01 as a result of the change	<input type="checkbox"/>	<input type="checkbox"/>	
3 The values for London should be: 1.18: 1.11: 1.05 and 1.01 for London fringe (as calculated in the Maxwell Stamp plc report) 1.18; 1.12: 1.06 and 1.03 for London fringe. (as recommended by TAC)	<input type="checkbox"/>	<input type="checkbox"/>	
4 The consideration of weightings in other parts of the country should be kept under review in the light of further data from an enhanced SIR	<input type="checkbox"/>	<input type="checkbox"/>	
5 Weightings for the staffing element in the funding methodology should be recalculated on a 3-5-year cycle	<input type="checkbox"/>	<input type="checkbox"/>	

TAC Subgroups

Rural and Isolated Colleges and Specialist Colleges

Membership

Stuart Bartholomew	Arts Institute of Bournemouth
Heather Bland	West Cumbria College
Doug Boynton	Telford College
Cath Cole	Hereward College
Vic Croxson	Reaseheath College*
Don Gratton	The London Institute
Willie Mills	City College Manchester
Chris Moody	Moulton College
Graham Moore	Stoke on Trent College
Malcolm Morley	Bicton College of Agriculture
Professor John Moverley	Myerscough College
David Pursell	Boston College
David Trueman	North Devon College
Edmund Wigan	Leeds College of Art and Design

*chair

Terms of reference

To review available evidence on costs incurred by rural and isolated institutions.

To advise the TAC of any categories of provision which should be differentiated for funding purposes and whether these categories should be dealt with via the tariff or via a specific payment.

If necessary, to undertake research to enable it to make properly informed judgements about the need for funding categories and their relative weightings for funding purposes.

Buildings

Membership

Ian Clinton	Joseph Priestley College
David Henderson	Priestley College*
Bob Lewin	Bracknell and Wokingham College
Margaret Murdin	Wigan and Leigh College
Tony Pitcher	South East Essex College
John Stone	Hammersmith and West London College
Bev Walters	Morley College

*chair

Terms of reference

To review available evidence on buildings related costs including inherited costs.

To advise the TAC of any categories of provision which should be differentiated for funding purposes and whether these categories should be dealt with via the tariff or via a specific payment.

DODL

Membership

Gordon Bull	Newbury College
David Cheetham	Gateshead College
Bernard Cohen/ David Grugeon	Open University
Alex Ferguson	Otley College of Agriculture and Horticulture
David Hoyle	University for Industry
Tony Jakimicw	Carlisle College
Stanley King	DfEE
Lynn Lee	St Vincent's College
Ian Macwhinnie	The College of North East London
Roger Merritt	National Extension College
Maragaret Murdin	Wigan and Leigh College*
Judith Norrington	Association of Colleges
Jackie Robinson	Stockport College
Lynne Sedgmore	Guildford College
John Taylor	Park Lane College, Leeds
Peter Tavernor	MANCAT
Paula Webber	University for Industry

**chair*

Terms of reference

Initially, to review the available evidence on the tutor support and other appropriate costs of open and distance learning, and particularly those courses offered via the Internet and,

To advise the TAC how open and distance learning, and particularly those courses offered via the Internet, should be reflected in the tariff for 1999-2000.

Subsequently, to review the available evidence from this initial period of funding, and in the light of the further developments with the Ufi to further advise the TAC whether or not the funding allocated for these courses is correct.

Distributed Open and Distance Learning

Introduction

1 The term 'distributed open and distance learning' (DODL) is used to describe a variety of different learning opportunities. The distinguishing feature is that the learner, for the majority of the learning programme, is separated from the tutor by time and/or space, that is, the learning materials, however provided, form the main focus of the learning experience and are intended to be substantially self-sufficient.

2 The DODL subgroup of TAC has concluded that the present definitions of open and distance learning require clarification, particularly in the light of the development of new technology. Members have so far received evidence from a number of providers of DODL and have identified a number of different forms of DODL activity. These include:

- a. drop-in flexible access centres supported by self-study learning materials. In some cases, students buy the package to study at home, linked into the centres for support and assessment;
- b. distance learning by correspondence course linked to tutor support through a further education college;
- c. distance learning through a franchise arrangement with a provider of commercial learning packages, usually paper-based correspondence courses, sometimes supported by video or audio material;
- d. computer-based self-study learning materials delivered through the Internet;
- e. programmes of learning delivered through video link. Students in remote areas are linked through video-conferencing. This may or may not be supplemented with self-study materials;
- f. programmes of learning delivered by radio or cable television, generally supported by self-study materials;

- g. distance learning through self-study materials to support the delivery of work-based learning;
- h. distance learning by partnership between further education colleges and a national distance learning provider working to agreed quality standards for programme development, delivery and learner support.

3 Institutions are invited to provide evidence of the types of DODL they currently deliver. The group are particularly interested in receiving details of delivery through:

- Internet
- video-conferencing
- cable television
- radio
- video or audio-based learning materials
- other interactive technology.

4 It will be helpful to receive details of any materials which have been developed to support DODL.

Call for Evidence

**THE
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COUNCIL**

(Reference Circular 00/02)

Please photocopy, complete and return this form to Claire Egan at the Council's Coventry office by 28 February 2000. An earlier return will be helpful. This form is available as a PDF file on the Council's website (www.fefc.ac.uk). Please complete a separate form for each course or type of DODL course.

Cheylesmore House
Quinton Road
Coventry CV1 2WT

Telephone 024 7686 3000
Fax 024 7686 3100

Name of institution

Contact name *(please print)*

Signature

Telephone number

E-mail address

Institutions may be contacted for further information and should be willing to take part in further research engaged by the Council. Evidence provided should include comparative cost information.

Type of course _____

Course code _____

Qualification aim _____

Date course first offered _____

Please give a brief description of the course, including the method of delivery (for example, through the Internet or a postal correspondence course). Please include answers to the following questions:

- how is initial assessment and guidance provided?**

• is additional support provided? If so, please provide brief examples.

• is childcare available? If so, how is this arranged?

• is tuition fee remission made available? Yes No

• **average number of learners on the course**

• **retention rate**

• **achievement rate**

• **what are the quality assurance arrangements?**

• **has the institution developed materials in support of DODL?**

• has the institution entered into partnership arrangements with other providers of DODL material?

Yes

No

Please provide comparative information using the layout below .

a. DODL course

b. Comparator course

Costing breakdown

Materials development cost

Capital investment

Administrative support

Technical support

Tutor support

Other learning support

Consumables

Other

Thank you for providing this information. Please use this space to make any other comments to inform the DODL group.

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