



Skills Funding
Agency

Qualification Eligibility Principles

Version 1.2

For the 2016 to 2017 funding year (1 August 2016 to 31 July 2017)

September 2016

Of interest to awarding organisations.

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Introduction

1. This document covers the 2016 to 2017 publicly funded offer in England within the Adult Education Budget (AEB).
2. It is a summary of how we make qualifications eligible for delivery as part of local flexibility. We publish it so you (awarding organisations) are clear about the principles we apply.
3. We have updated the document following the publication of version 3 of the **Adult Education Budget Funding Rules** to provide further clarification of the eligibility principles.
4. This document does not include the **Legal Entitlements for 2016 to 2017, Advanced Learner Loans** and apprenticeships.
5. Eligibility principles for bespoke, locally-designed or tailored training provision are set out in the **Adult Education Budget Funding Rules**.
6. Please read this guide alongside:
 - **Adult Education Budget Changing Context and Arrangements for 2016 to 2017**. This document describes how the AEB takes account of funding simplification and the transition to full skills devolution.
 - Our **Adult Education Budget Funding Rules**, which sets out in detail which learners and what training is eligible to receive funding from us.
7. We are continuing to work with the Department for Education (DfE) and the Education Funding Agency (EFA) on a single, streamlined process for qualification eligibility. As part of this work, we will need to understand the implications of the **Post-16 Skills Plan** and the timescales for implementation of the reform of the technical education system.

8. For the funding year 2016 to 2017, different types of provision are eligible for delivery through different funding routes. We have summarised these in Figure 1.

Figure 1: How qualification level cross references to public funding

Level 4 – 6	Advanced Learner Loans – Process to designate (Prospectus)		
Level 3	Advanced Learner Loans – Process to designate (Prospectus)	Legal Entitlement to first full level 2 or 3– Alignment with 16-18	
Level 2	Local Flexibility – Eligibility Principles		
Level 1	Local Flexibility – Eligibility Principles		Legal Entitlement to English and Maths – Alignment with 16-18
Entry			

9. We will fund the qualifications, and their components, delivered through the AEB using the Single Activity Matrix. More information is available in our **Funding Rates and Formula – 2016 to 2017**.

Local Flexibility

10. In the **Skills Funding Letter** (December 2015) the government set out its intention to move towards full devolution of the AEB. For the 2016 to 2017 funding year, we are already working with local areas to manage the transition to a fully locally-driven skills system.
11. As part of this transition, we have introduced local flexibility. This recognises that local areas, colleges and other training organisations are best placed to decide on the most appropriate type of training provision to respond to local needs.
12. To support local area needs and deliver agreed local outcomes, colleges and other training organisations will decide on the most appropriate form of training provision. This may or may not include qualifications.
13. We have therefore removed the requirement for all the activity we fund to be in the form of a qualification. We only require delivery of a qualification where a learner exercises their legal entitlement to a first full Level 2 or first full Level 3 and/or English and maths.
14. Where colleges and other training organisations decide to use qualifications, the only requirement is that the qualification is eligible for local delivery. This means colleges and other training organisations can choose from a broader range of qualifications. However, we still expect the qualifications used to support the learner in progressing to further and higher-level skills and/or into and through employment.
15. You must use qualifications from the **Regulated Qualifications Framework** (RQF) that are eligible for funding as part of local flexibility. The **Hub** lists the qualifications confirmed as eligible for local delivery. You can identify these in the Hub using the “Local Flexibility” Category.

Eligibility Principles

16. The regulated qualifications in scope for local flexibility are those at Entry Level, Level 1 and Level 2. There is no approvals process or business rules for these qualifications, but we will apply a set of eligibility principles. This means not all qualifications in the RQF will be available as part of local flexibility.
17. We will only make qualifications eligible where you have clearly recorded the following on the Office of Qualifications and Examinations Regulation's (Ofqual) **Register of Regulated Qualifications**:
 - for new qualifications, Guided Learning (GL) as a component of Total Qualification Time (TQT)
 - for existing qualifications, minimum Guided Learning Hours
18. In some cases, there may be qualifications with TQT but no GL. We do not expect there to be a significant number of these at Entry to Level 2. Where we find qualifications with TQT only, we will review them on a case-by-case basis.
19. We apply seven eligibility principles to qualifications outside the legal entitlement. A number of these principles align with those applied by the EFA as part of their process to approve qualifications for inclusion on **Section 96**. We will operate our eligibility process in parallel with the Section 96 process.
20. We apply the following eligibility principles:
 - a. **Available in England and for public funding.**
 - An Ofqual recognised awarding organisation must offer the qualification. It must be flagged on Ofqual's Register of Regulated Qualifications as available for public funding in England for learners aged 19 and over.
 - b. **Personal Learning Record**
 - i. The awarding organisation that offers the qualification must have signed the **Awarding Organisation Agreement**. They must regularly upload

achievement data and adhere to the Learning Records Service (LRS) Data Management Policy.

- ii. The Personal Learning Record is an online service that allows learners to view their achievement to date and identify the most suitable future learning. Further information is available on the LRS page of **GOV.UK**.
- iii. To contact the LRS customer support desk, please telephone 0845 602 2589 or email **LRS Support**.

c. UK visa requirements

- i. The qualification must not link to **UK Visa requirements**, such as International English for Speakers of other languages (ESOL) or the International English Language Testing System.
- ii. This does not apply to ESOL Skills for Life. We recognise that these qualifications support learners, whose first language is not English, to undertake other qualifications. We require ESOL Skills for Life qualifications to be modular to make them eligible for funding.

d. Licence to practise and/or stand-alone qualifications

- i. The qualification must not link to statutory employer requirements (including licence to practise).
- ii. Certain qualifications that meet statutory employer requirements or a licence to practice are eligible for unemployed learners. This is defined in paragraph E.9 of the **Adult Education Budget Funding Rules for 2016 to 2017**.
- iii. These qualifications are:
 - fork lift-truck, food hygiene, health and safety, and first aid at work

- security guarding, door supervision and CCTV operations (public space surveillance), needed to obtain a Security Industry Authority (SIA) licence
- iv. These qualifications can be identified in the Hub using the “Standalone and licence to practice” category.
- v. We will only fund the security qualifications if one of the following commits to funding the SIA licence, which allows the learner to enter a job:
- a local employer
 - individual
 - work programme provider
 - Jobcentre Plus

e. Vendor qualifications

- i. The qualification must not be a vendor qualification linked to a particular employer or commercial system.

f. End-point assessment of apprenticeship standards

- i. Where the end-point assessment of an apprenticeship standard has been designed as a qualification and is subject to Ofqual external quality assurance, it will not be eligible to be undertaken outside of that standard.

g. Appropriate content

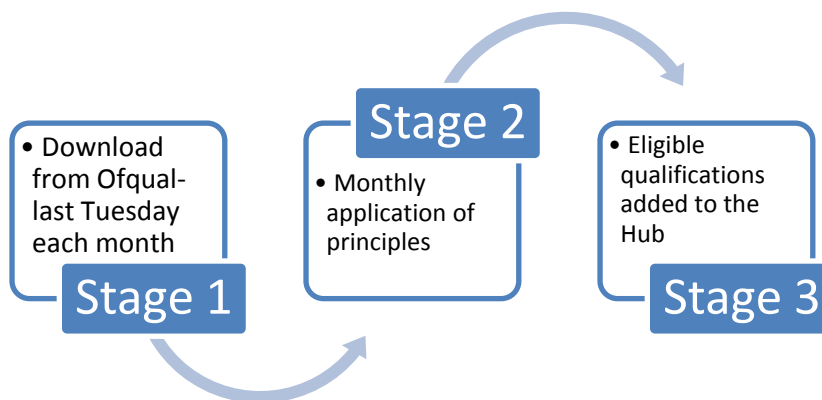
- i. The qualification must not be used to recognise activity that might already be part of a learner’s experience or is better delivered as non-qualification bearing activity. For example, we will not make eligible qualifications which serve as a record of:
- work experience
 - college or other learning or training induction

- self-improvement or self-confidence
 - CV writing
 - job search activities
 - participating in interviews
 - parenting skills
 - babysitting
 - taking part in a skills competition and/or leisure activities (outside of aspects of independent living skills)
- ii. Where qualifications at Entry Level and Level 1 support independent living skills, we expect these to focus on progression in education and work.
- iii. At Level 2, we will not make non-vocational qualifications available such as:
- independent living skills
 - personal and social development
 - personal well being
21. Within the local flexibility offer, we have included a number of competence-based qualifications where delivery and/or assessment may require a workplace setting. You can deliver these qualifications as part of local flexibility in line with your requirements and with the funding rules. This is set out in paragraph E21 of the **Adult Education Budget Funding Rules for 2016 to 2017.**
22. If Ofqual takes **regulatory action** against an awarding organisation, we will review what action to take. We will do this on a case-by-case basis in respect of their qualifications approved for delivery.

Applying the Principles

23. For the 2016 to 2017 funding year, we will continue to apply eligibility principles to newly regulated qualifications.
24. We will add eligible qualifications to **the Hub** on a monthly basis. Figure 2 gives the high-level details of this process. We will use the same timescales and run in parallel with the EFA Section 96 process.
25. For the 2016 to 2017 funding year, we will fund a qualification from 1 August 2016 to 31 July 2017, unless the:
 - a. operational start date is later than 1 August 2016
 - b. operational end date is before 31 July 2017

Figure 2: High level process



Components of qualifications

26. When we make a qualification eligible, we will make its components available (including units where they exist). We will not make the component available if it links to an employer's statutory responsibility or licence to practise.
27. To make a component of a newly regulated qualification available you will need to enter all the components information in Ofqual's **Register of Regulated Qualifications**.

28. We have updated the Hub with a large number of components. Over autumn, we will work with awarding organisations to see what the most appropriate way is to continue to make components available as part of local flexibility. This is following the changes brought about by the implementation of the RQF. Once we have agreed a revised process we will update this document.

Changes to qualifications

29. Every quarter, we will review significant changes to qualifications that may affect their funding, to decide whether to change the funding.

Further information

30. If you are a college or training organisation and have any queries, please contact the **Service Centre** in the first instance.
31. If you are an awarding organisation and have any queries on the process, please email the **Qualifications team**.



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