

Ultimate Curriculum Planning Workshop

06th March 2012 ~ York

Nick Linford
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Managing Editor of *FE Week*

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Learning & skills ~ events,
consultancy and training

Who will you hear from?



Nick Linford
Managing Director of Lsect
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Former Director of Planning and Performance at Lewisham College

Was Interim Vice Principal at South Thames College to plan 2011/12

Author of:

- *The hands-on guide to post-16 funding* (www.fundingguide.co.uk)
- *The hands-on guide to post-16 performance and data* (www.dataguide.co.uk)
- *The sub-contracting toolkit* (www.lsect.co.uk/toolkit.asp)

Passionate about the contribution that the post-16 learning and skills sector makes to peoples lives and the UK economy

Morning agenda (16-18 classroom)

**Key announcements and implications from the YPLA
2012/13 Funding Statement**

**What to factor into a curriculum planning tool
for full-time 16-18 courses**

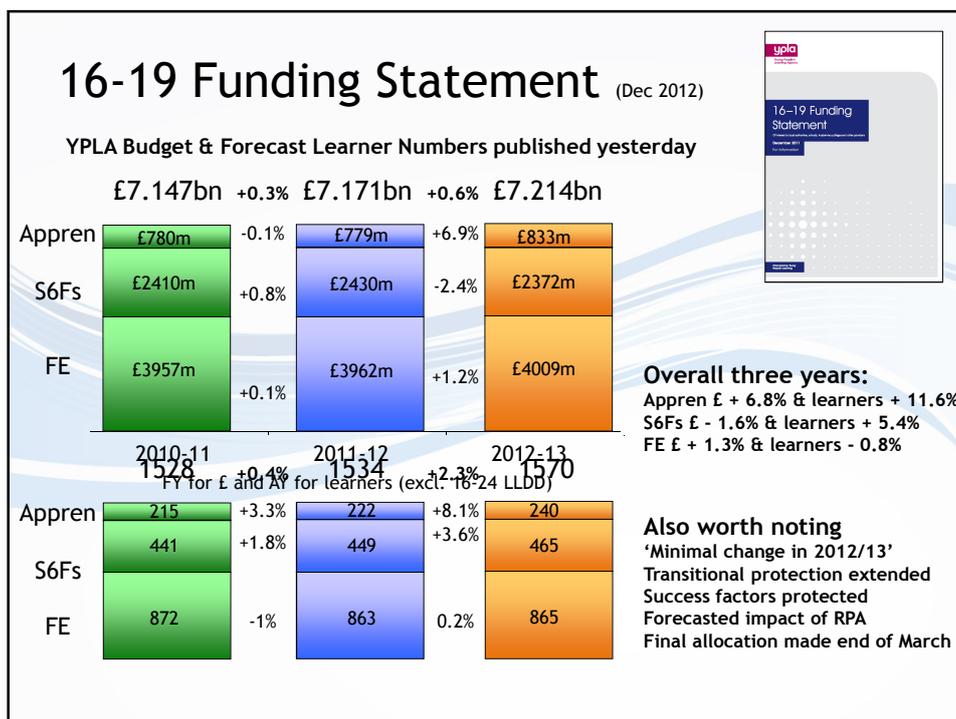
**Effective use of the Learning Aim Reference Application
(LARA) when planning**

**Tips on how to find efficiencies whilst improving
demand and quality**

**Strategies for growth through innovative recruitment
and early retention policies**

13.00 Lunch

Key announcements



16-19 Funding Statement (Dec 2012)

"In 2012/13 the YPLA is maintaining the demand-led funding formula without any changes"

And in 2012/13 there will be no changes to SEN nor LDD funding

But....

Index of Multiple Deprivation will be updated to calculate disadvantage uplift from the 2007 to the 2010 release (over 90% will feel impact of less than 1%)

Transitional protection has been stretched over four years (until 2015/16) in equal instalments or at 3% per learner per year (which ever is the greater) = EFFICIENCIES NEEDED

Consultation has just closed on a new 16-18 funding methodology to be introduced in August 2013

16-18 funding ~ allocations timetable

Jan 2012	Initial statement of lagged learner numbers from YPLA
Feb 2012	Providers and YPLA review data and consider any business cases for exceptions
By end of March 2012	YPLA confirms final funding rates and issues final allocation including bursary allocations
April 2012	YPLA becomes the Education Funding Agency (EFA)
May-Aug 2012	EFA issues funding agreements/contracts
August 2012	Payments from EFA to providers commence

16-18 funding ~ key days for change

Timetable for implementing changes

October 2011 to January 2012	Consultation with the sector, closing on 4 January.
Autumn 2011	YPLA staff attend stakeholder organisations' events
Spring 2012	Decision on and announcement of the changes to be made
2012/13	Development year – YPLA working with stakeholder organisations. Further equality analysis to be carried out on chosen options
2013/14	Raising of the participation age to 17
2013/14	Implementation of new funding arrangements for 16-19 providers
2015/16	Raising of the participation age to 18

16-18 is a numbers game in an increasingly competitive market. No-one is to be left behind

Curriculum planning

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Understanding the National Funding formula

Qualifications for 16-18 year-olds are funded using a national funding formula introduced in 2008/09 (SSFs, Academies and colleges)

It is applied to every enrolment, so they all have a value

Elements in the demand-led funding formula:

- > Standard Learner Number (SLN)
- > National Funding Rate (NFR)
- > Programme Weighting Factor (PWF)
- > Disadvantage Uplift (DU)
- > Area Cost Uplift (ACU)
- > Success Factor (SF)
- + Additional Learning Support

Formula elements multiplied together equals maximum funding for the enrolment

Sources of the DLF funding formula

SLN GLH	Always 'listed' on the online LARA database, with exception of functional skills for non-schools
NFR	Set each year nationally ~ 16-18 school and non-school 2011/11 and 2012/13: (e.g. FE college) £2,920
PWF	On the LARA for the relevant qualification and funding type
DU	Based on an postcode file and the <u>learner home postcode</u> (no uplift, or between 8 and 32%)
ACU	South East England weighting based on the provider location
SF	Calculation based on success rates, where achievement = 1 and non-retained or non-achievement = 0.5

Funding formula examples for 11/12 & 12/13

AS Level in Art and Design (500/2659/8) delivered in 126 hours

SLN GLH on LARA of 150 for School Sixth Form and FE College

SLN GLH / 450 =

SLN 150/450 =	0.3333
NFR	£2,920
PWF	1.12 (B)
DU	1.0851
ACU	1.20
SF	0.9

Funding £1,278

PWFs

A	1
B	1.12
C	1.3
D	1.6
E	1.72
F	1.4
G	1.92
H	1.2
J	1.25
K	1.5
L	1.15

Funding formula examples for 11/12 & 12/13

Functional Skills(500/2659/8) delivered in 54 hours

SLN GLH on the LARA of 36 for schools and unlisted for non-schools

School Sixth Form

SLN 36/450 =	0.08
NFR	£2,920
PWF	1.4 (F)
DU	1.0851
ACU	1.20
SF	0.9
Funding	£383

FE College

SLN (54/450) =	0.12
NFR	£2,920
PWF	1.4 (F)
DU	1.0851
ACU	1.20
SF	0.9
Funding	£575

Funding formula used for allocations & in-year

To simplify the formula historical averages are used for the PF, ACU, DU and SF elements

SLN x NFR x PROVIDER FACTOR (PF) = funding

Example College 16-18 allocation (excl. ALS):

4,200 SLN x £2,920 NFR x 1.1534 PF = £14,145,298

The NFR is set nationally and PF is based on a historical average, so both are now fixed for 2012/13

Thus in-year and when curriculum planning
achieving the SLN value is critical

Funding for a learner programme

Schools and colleges are paid on a monthly profile, totally the annual allocation. Below shows how a learner programme might be planned

Programme component	Actual glh	2011/12 rate in LARA	SLN
AS in Politics	140	150 SLN GLH	0.333
AS in History	140	150 SLN GLH	0.333
AS in Economics	140	150 SLN GLH	0.333
AS in General Studies	40	30 SLN GLH	0.067
Functional Skills in English L3	36	36 SLN GLH or unlisted	0.08
Entitlement (incl. tutorials)	36	30 SLN GLH	0.067
Total SLN			1.213
Unweighted funding in 2012/13			£3,543
Weighted funding in 2012/13 with a provider factor of 1.1534			£4,086

Note: SLN per academic year per learner is capped at 1.56

Minimum attendance

This is commonly referred to as the 'definition of a start'

If a withdrawal is before the minimum attendance period no funding is generated and the enrolment is not counted as a start

Planned duration (calendar days)	Minimum attendance
24 weeks or more	6 weeks
2 to 24 weeks	2 weeks
Less than 2 weeks	Once

Curriculum planning tools should take account of early retention issues, and be an evolving plan (not one that sits on the shelf)

Effective use of LARA



Learning Aim Reference Application (LARA)

The left screenshot shows the 'LARA - Search' page in a Windows Internet Explorer browser. It features a search bar and several filter sections: 'Awarding Org', 'Learning Aim Type', 'Teaching Year', 'Current Provision', 'Awarding Org Aim Reference', 'National Level', and 'National NVQ Level'. The right screenshot shows the 'LARA - Key Details' page for a specific Learning Aim Reference. The details include: Learning Aim Title: NVQ Diploma in Beauty Therapy (OCF); Learning Aim Reference: 50007654; Awarding Org: CG - City & Guilds of London Institute; Learning Aim Type: 0006 - Diploma; Teaching Year: 2011/12. A sidebar on the right contains buttons for 'Key Details', 'Aim Details', 'Shared', 'ANY', '16-19 LR', 'Adult LR', 'ER App', and 'ER Other'. The main content area shows 'Current Provision: Y - For learners starting their aim now - this aim is current provision' and 'Awarding Org Aim Reference: National Level v2: 2 - Level 2; National NVQ Level: 2 - level 2'. Notes include 'Skills Funding Agency: 01 - Confirmed for Funding Approval Status: Accreditation End Date: Certification End Date: Level 2 Category: 1 - Full Level 2 Qualification'.

<https://gateway.imservices.org.uk/sites/lara/Pages/AimsSearch.aspx>

Efficiency tips

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Can you reducing costs via:

- Staff contracts (e.g. increasing the contracted teaching hours and making redundancies) - a non-starter?
- Decreasing the permanent to temporary teaching staff ratio?
- Merging groups and improving room utilisation?
- Stop running courses with relatively low (or negative) contribution rates?
- Trimming delivery hours on listed courses without compromising quality?
- Eradicating unfunded hours (defined as delivery hours exceeding listed hours)?
- Using support or voluntary staff when double staffing large class sizes
- Innovative uses of the Additional Learner Support / bursary funding?
- Negotiating hard (or tendering) with the awarding bodies for reduced fees etc?
- Think of sickness and absence as cost, so how can you reduce it?

What else?

Can you increase supply and contribution rates (margins) via:

- Larger class sizes where possible (without compromising quality)?
- Increasing the SLN per learner ratio (e.g. incl. employability and/or enterprise qualifications)?
- Improving retention beyond minimum attendance (e.g. six weeks)?
- Improving success rates, and therefore improving the success factor?
- Identify where there are large waiting lists for courses (with high contribution rates) that can be satisfied?
- Identifying demand and curriculum gaps in the local offer that would have high contribution rates?
- Growth in other areas such as Apprenticeships?

What else?

Strategies for growth through innovative recruitment and early retention policies

Firstly, do all staff know the impact recruitment, retention and achievement have on income?

The success factor can help with this

$$\begin{array}{l} \text{Weighted average} \\ \text{success rate} \\ 0.5 + \frac{\quad}{2} = \text{Success} \\ \text{Factor} \\ \\ 0.5 + \frac{80\% \text{ for School X}}{2} = 0.9 \\ \\ 0.5 + \frac{0\% \text{ for School Y}}{2} = 0.5 \end{array}$$

Although historical, think of this as 50% lost if a learner does not finish and achieve

Target group size of 16 at £5k each (£80k income budget)

Learners	Income lost	Success rate
2 leave within first 6 weeks	£10k	14 start
3 more do not finish	£7.5k	79% retention
3 finish but don't pass	£7.5k	73% achieve
8 succeed	£25k	57%

Budget missed by 31%!
Next allocation cut by 31%?

Attracting and keeping 16-18 year-olds

Thoughts and questions for discussion:

- ~ Marketing strategies (do you boast about progression?)
- ~ Recruitment strategies (how early do you recruit?)
- ~ Early retention strategies (is the course interesting?)
- ~ Retention strategies (what can you afford to replace EMA?)
- ~ Others?

Lunch

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Afternoon agenda (19+ and workplace)

Key announcements & implications from BIS

**Curriculum planning tool tips for classroom provision
(incl. latest on fees policy)**

**Profiling tips for apprenticeship & other workplace
provision (incl. latest on fees policy)**

**Effective use of LARA and other sources of information
when planning apprenticeship frameworks**

**Growth strategies & making the most of the Single Adult
Skills Budget when planning**

Finish no later than 16.30

Key announcements



19+ Investment Strategy (Nov 2011)

Adult Skills Budget

of which min appren expectation

Year	Total Budget	Min Appren Expectation	Change (Total)	Change (Appren)
2011-12	£2.8bn	£644m	-5%	-
2012-13	£2.7bn	£698m	-7%	+5%
2013-14	£2.5bn	£726m	-11%	+7% (incl. £42m loans)



Illustrative learner number forecasts

Year	Learner Numbers
2010/11	3,129m
2011/12	3,280m
2012/13	2,927m
2014/15	2,818m

Overall three years:
 Non-appren £ -19%
 Appren min expectation £ +13%
 All Adult Skills Budget £ -12%

Also worth noting
 'Focus at least £100m on SMEs'
 £129m for non-appren loans 2013
 Impact of it being Single Budget
 MCL unchanged for 2012 at £500k
 Changes to entitlement in 2012

But with a Single Adult Budget it's could go in any direction!

So what of 2012/13?

More 'freedoms' in form of colleges legally not being part of the Government estate

Outcome Incentive Payment
(and maybe some rules!)

Significant changes to entitlement (fee eligibility). L2 and L3 23 year olds and below

No change to funding rates or methodology

2013/14 ~ FE Loans ~ the plan

All 24+ LR (classroom) and ER (workplace) funding L3+ to be funded out of loans allocation

E.g. Apprentice takes out the income contingent loan, and pays back 9% of all earnings above £21k + 3% RPI (written off after 30 years)

Providers to liaise with Student Loans Company

Plans for new funding methodology as well

Curriculum planning

Classroom ~ formerly learner responsive

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Understanding the National Funding formula

19+ classroom provision is funded using a national funding formula introduced in 2008/09

It is applied to every enrolment, so they all have a value

Elements in the demand-led funding formula:

- > Standard Learner Number (SLN)
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- > Disadvantage Uplift (DU)
- > Area Cost Uplift (ACU)
- > Success Factor (SF)
- + Additional Learning Support

Formula elements multiplied together equals maximum funding for the enrolment

Sources of the DLF funding formula

SLN GLH	Always 'listed' on the online LARA database, with exception of functional skills for non-schools
NFR	Set each year nationally = £2,615 in 11/12 and 12/13 2011/11 and 2012/13:
PWF	On the LARA database for the relevant qualification and funding type
DU	Based on an postcode file and the <u>learner home postcode</u> (no uplift, or between 8 and 32%)
ACU	South East England weighting based on the provider location
SF	Calculation based on success rates, where achievement = 1 and non-retained or non-achievement = 0.5

Funding formula examples for 2012/13

Example fully-funded 19+

SLN	1.02
NFR	£2,615
PWF	1.2564
DU	1.0946
SPM	1.04
ACU	1.2
SF	0.9

Funding £4,121

Co-funded 19+ using example

$$\text{NFR} - (\text{NFR} \times \text{AFI} / \text{PF}) = \text{Co-funded rate}$$

$$£2,615 - (2,615 \times 0.5 / 1.545) = £1,769$$

$$1.02 \text{ SLN} \times £1,769 \text{ CFR} \times 1.545 \text{ PF} = \mathbf{£2,787}$$

$$\text{Assumed fee} = (1.02 \times £2,615) / 2 = £1,334$$

**Provider
factor
1.545
for 19+**

$$\text{Assumed Fee Income per SLN GLH this year} \\ = (£2,615 / 450) / 2 = \mathbf{£2.90 \text{ per hour}}$$

Fully-funded to co-funded?

Original plans for 2011/12 had been that all those on the benefits below would become co-funded:

- Council Tax Benefit
- Housing Benefit
- Income Support
- Working Tax Credit
- Pension Credit
- Contribution based ESA (unless in the Work Related Activity)
- Unwaged dependants (as defined by DWP) of those listed above

Following a series of u-turns (not changing for 2012/13): people out of work and seeking work can remain fully-funded (even if not on income related support) AND those on basic skills, foundation learning (courses below Level 2) and eligible for entitlement remain fully-funded

Curriculum planning

Workplace ~ formerly employer responsive

Demand Led Funding formula

Apprenticeships are funded using the DLF funding formula, which is an enrolment based funding methodology

Therefore, every enrolment has an individual value

Elements in the ER demand-led funding formula:

- > Standard Learner Number (SLN)
- > National Funding Rate (NFR)
- > Programme Weighting Factor (PWF)
- > Disadvantage Uplift (DU)*
- > Area Cost Uplift (ACU)

Formula elements multiplied together equals maximum funding for the enrolment

* Not included for Train to Gain

ER on-programme funding instalments

The on-programme funding for TtG and Apprenticeships is the total funding less the funding for achievement*

The SFA pay monthly on-programme funding instalments based on submitted ILR data

The first month instalment will be worth twice as much as each of the remaining months (n+1 approach)

So, if 12 month course then each month is worth total on-programme funding divided by 13 (with month 1 paid twice)

e.g. £10,000 on-programme funding over 9 months would be
in first month and for the remaining 8 months

* Achievement is 25% of total TtG funding and 25% of total main apprenticeship qualification funding

SASE Apprenticeship Funding example

16-18 year-old funding in 2012/13 (Note: 19-24 NFR = £2,615)

Framework 401 elements	SLN	NFR	PW	ACU	DU	Funding
NVQ Cert in Drinks Dispense Systems (QCF) (L2)	0.014	£2,862	1 (A)	1	1.025	£41
Certificate in Cellar Service Installation and Maintenance (QCF) (L2)	0.644	£2,862	1.3 (C)	1	1.025	£2,456
Functional Skills Maths (L1)	0.08	£2,862	1 (A)	1	1.025	£235
Functional Skills English (L1)	0.08	£2,862	1 (A)	1	1.025	£235
Total						£2,966

OP Instal Month 1	£1,478
OP Instal Month 2	£739
OP Instal Month 3	£739

Achievement	£10
Total funding	£2,966

Note: All 19+ Apprenticeships are co-funded (50%) and 25+ have a 20% (NFR £2,092) rate reduction and large employers (1000 staff+) have a further 25% rate reduction

Train to Gain summary

Renamed work place (non-appren) and refocused on SMEs

Changes for 2011/12

- Non-entitlement Level 3 Train to Gain not funded
- Non-entitlement Level 2 Train to Gain for non-SMEs (250+) not funded
- ESOL funding in the workplace not funded

So entitlement (19+ first full level 2 and 19-24 first full level 3) remain fully funded (free) and non-first Level 2 for SMEs remains funded at 50% (so fee expectation)

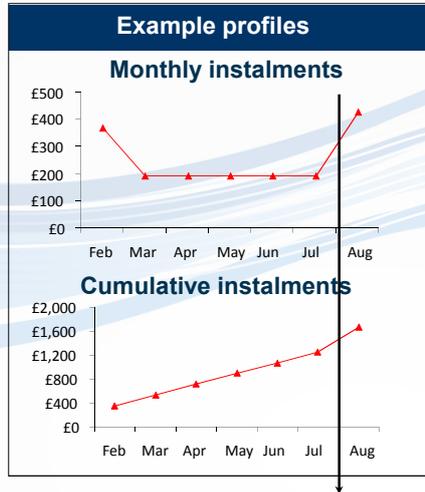
Entitlement changes for 2012/13

- Only 19-23 first full level 2 and 19-23 first full level 3 remain fully funded

Change for 2013/14

- Introduction of loans at Level 3 and above (also for Apprenticeships)

Profiling and quarterly performance review



New academic year

How does financial year impact on you?

2010/11 financial year (government budgets)

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	2011/12			
				Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul

2010/11 academic year (contracts)

This has the potential lead to an 'on-off-on' approach to profiling from the Skills Funding Agency

Sources of Apprenticeship Framework information to help plan

- ~ Skills Funding Agency website
- ~ Apprenticeship Frameworks Online
- ~ National Apprenticeship Service website
- ~ National Apprenticeship Service spread sheet
- ~ Sector Skills Council technical specification
- ~ The Learning Aim Reference Application (LARA)

291 'current' in the frameworks library

(as at 23/02/12)

The screenshot shows the 'Apprenticeship Frameworks Online' website. The search results page displays a table of frameworks and a sidebar for filtering results.

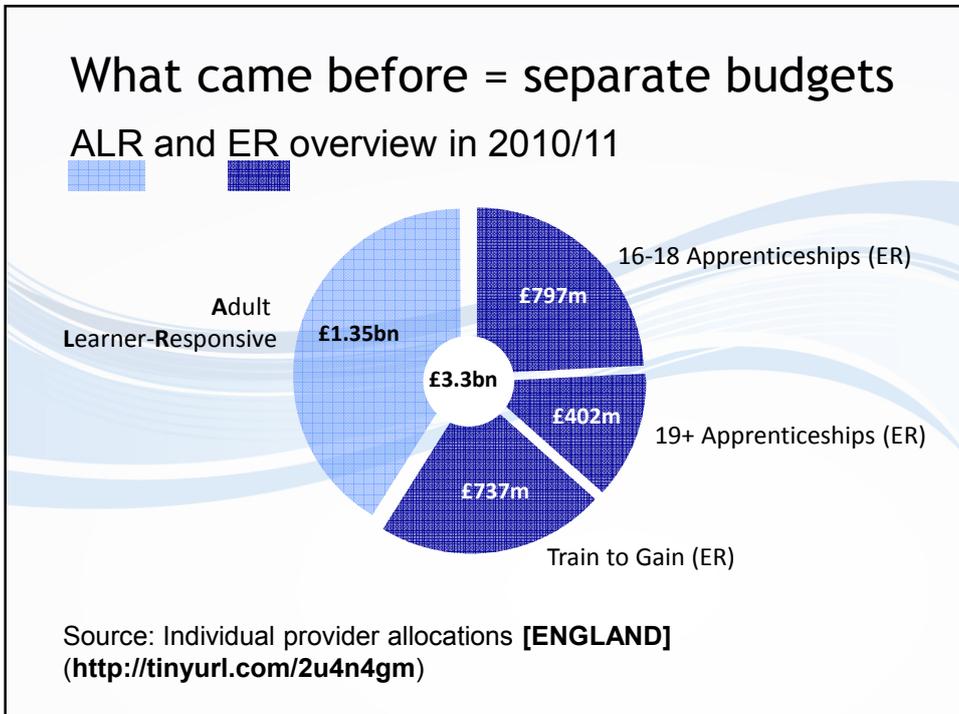
Framework title	Issuing Authority	Level	Framework ID
Accounting (England)	Financial Skills Partnership	2,3,4	FR00520
Accounting - non statutory (Wales)	Financial Skills Partnership	2,3,4	FR00058
Activity Leadership (England)	SkillsActive	2	FR01152
Advanced Engineering	Engineering Construction Industry		

Narrow results by:

- Framework level
 - level 2
 - level 3
 - level 4
 - level 5
 - level 6
- Nation
 - England
 - Wales

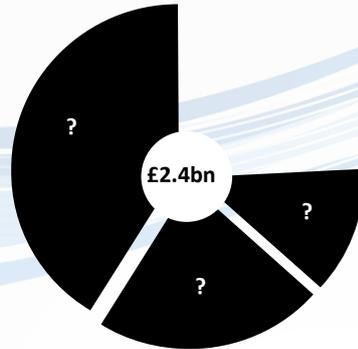
<http://www.afo.sscalliance.org/>

Single adult skills budget and growth strategies

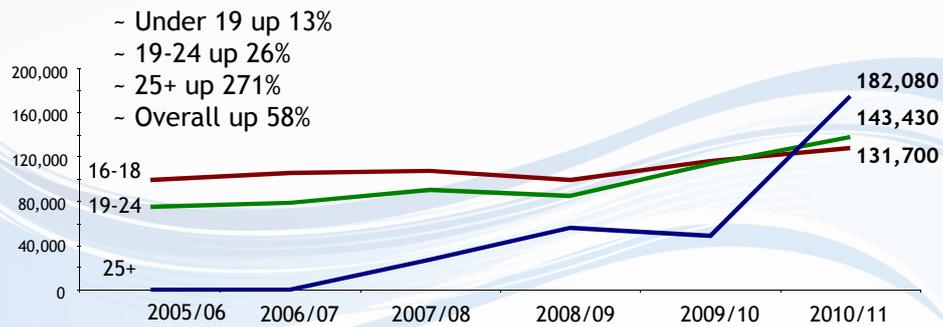
Now = Single Adult Skills Budget

Allocations no longer published separately



This opens up the classroom funding to all types of providers, making for a much more competitive market

Apprenticeship starts reach 452,210*



Future growth will need to be more targeted as well as compliant with the latest guidance (incl. SASE)

* Statistical First Release - January 2012

Where will the growth come from?

Priority

Classroom funding for job creation leading to sustainable work with an apprenticeship

Buzz words

Freedom ~ Flexibility ~ Innovation ~ Quality ~
Success ~ Outcomes ~ Entrepreneurial ~
Streamlining ~ Value ~ Simplification

Others?

Thank you

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