

The LSC Announces Key Funding Rates for 2008/09

The LSC has today announced the base funding rates for use in its Demand Led Funding (DLF) models for 2008/09. The Demand Led Funding models are described more fully in the [Funding Policy area of the Corporate Website](#). These funding rates, to be used for the first time in 2008/09, are the key link between the funding and learner volumes described in the [LSC's Statement of Priorities for 2008/09](#).

The funding rates relate to Standard Learner Numbers (SLNs), which is the standard measure of learning with each of the 16-18, adult responsive and employer responsive funding models. The rates per SLN for 2008/09 will be:

School Sixth Forms	£2,945
16-18 FE	£2,860
16-18 Apprenticeships	£2,860
Adult Learner Responsive	£2,775
Employer Responsive	£2,775

The announcement of the base funding rates per SLN is a key step in the process of determining provider allocations for 2008/09.

The school sixth form and 16-18 FE rates meet the Government commitment, as set out in the LSC Statement of Priorities, on the Minimum Funding Guarantee. The rates also meet the commitment to further reduce the 'funding gap' between schools and colleges by 4% by the end of 2008/09.

The rates for 16-18 FE and Apprenticeships, and Adult and Employer provision, are harmonised. All of the rates ensure that the LSC is able to achieve its key participation objectives, within the overall Comprehensive Spending Review (CSR) financial settlement, and accommodate the transitional protection arrangements set out in our 'Statement of Priorities'.

These rates will enable the individual transitional rate per SLN to be calculated for each provider, and therefore for the providers' historic funding positions to be confirmed. This transitional rate will be multiplied by the individual provider factor and the number of SLNs agreed for 2008/09 to produce the providers' funding allocation.

The provider factor is calculated from each institution's 2006/07 data, covering programme weightings, disadvantage costs, area costs, pattern of short courses and success rates. The last element of this data – achievement of qualifications – will be available on 8 February and final provider factors issued around 21 February.

The third element of the funding calculation is the SLN, which is a measure of the average size of learners' programmes. This means that the SLN/learner ratio will be closely monitored and controlled to ensure that we can deliver the learner numbers specified in the Statement of Priorities within the funds available. Details of the SLN values are being published on the [LSC's website](#) on the 21 December in the document 'Funding Rates for 2008/09'.

For further information of the Demand Led Funding rates contact Jim Minogue or Geoff Daniels