

College and Public Provider payment patterns

Introduction

On 17 June, Minister John Hayes announced a range of [freedoms and flexibilities](#) that will be made available to colleges for the 2010/11 academic year. On the same day, Secretary of State Vince Cable issued a [funding letter](#) to the Skills Funding Agency to set out the Coalition Government's ambitions and budget for the Agency in 2010-11.

Employer Responsive provision for adults (19+ Apprenticeships and Train to Gain) delivered by colleges and public providers that qualify for the freedoms and flexibilities stated in Guidance Notes 4 and 5 are paid on the Adult Learner Responsive payment pattern percentages as follows:

	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11	Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul 11
Adult Learner Responsive Profile Pattern Percentages	12.56%	9.44%	9.56%	7.44%	5.60%	5.60%	5.20%	5.16%	12.56%	11.60%	9.60%	5.68%

The Skills Funding Agency contract and payment system was created prior to these flexibilities being introduced and are set up to pay Employer Responsive provision for Adults in arrears, however the single budget that Employer Responsive provision for Adults is now part of, is paid on profile and not in arrears. Therefore the percentages for August and September have been added together and put into August with all other months percentages brought forward by a month leaving July with a notional amount of 0%. This is what is reflected in the Contract Appendix 2 - Funding Agreements.

	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11	Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul 11
Employer Responsive Profile Pattern Percentages as entered into CCM	22%	9.56%	7.44%	5.6%	5.6%	5.2%	5.16%	12.56%	11.6%	9.6%	5.68%	0%

As the system pays these 'profile' amounts in arrears, the actual profile is:

	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11	Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul 11
Employer Responsive Profile Pattern Percentages (Payments made to Provider)		22%	9.56%	7.44%	5.6%	5.6%	5.2%	5.16%	12.56%	11.6%	9.6%	5.68%

As the first month payment (August 10) is not system generated a manual payment of 12.56% has been made to colleges and public providers. For the second month (September 10) a deduction of the 12.56% from the 22% will be instigated to ensure the provider receives the 9.44% they are entitled to. Future months (October 10 - July 11) will then mirror the Adult Learner Responsive profile payments.