

## **Qualifications and Credit Framework (QCF) Revised Funding Confirmation Process**

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This brief has been produced to inform providers on the outcomes of the review of the qualifications funding confirmation process which the Skills Funding Agency has recently completed. It summarises the new process for confirming qualifications for public funding that the Agency will adopt from February 2012 going forward.

The review of the funding confirmation process was undertaken as a result of the announcement in *New Challenges, New Chances* (Skills Investment Statement 2011-2014), (December 2011) that:

*'Now that the funding transition to the QCF is complete, and in order to minimise the differentiation in qualifications pre and post 19, more of the QCF will be opened up for public funding. The Skills Funding Agency will operate a simple and streamlined process through learner eligibility, entitlements and the funding system, rather than a complex set of rules and parameters.'*

Since the funding transition to provision in the QCF began in 2008 there have been over 2.5 million publicly funded enrolments, pre and post-19 on QCF qualifications. There are over 11,000 qualifications in the QCF with just over 55% of these currently confirmed for funding by the Agency:

<http://qcf.skillsfundingagency.bis.gov.uk/qcf-funding/confirmationfunding/>

Following the publication of the SIS and the completion of the funding transition to the QCF, we have consulted with provider representative bodies and other key partners and stakeholders about how we can now operate a simpler and quicker process for confirming qualifications for funding for post-19 learners in England. In addition, we also intend the process to support a broader QCF offer for providers to deliver through the single Adult Skills Budget.

From February 2012 the process through which we confirm qualifications for funding will be based on three simple and high level principles:

- That provision which the Agency directly funds should be part of a regulated framework.
- That provision should in the main be unit based and credit bearing.

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An agency of the Department for Business, Innovation & Skills

- That provision is appropriate for public funding and not displacing other sources of funding from other public bodies, employers or individuals.

The funding confirmation process itself will have three components:

- An annual Stock Take of provision, which will run alongside the development and publication of the SIS and result in a refreshed list of confirmed qualifications being published at the beginning of each calendar year for delivery in the new academic year<sup>1</sup>.
- An ongoing confirmation process where new qualifications entering the QCF will be confirmed for funding with the on-line list and the Learning Aims Reference Application (LARA) updated on a monthly basis.
- An exception process with the facility for providers, awarding organisations and other key stakeholders, such as Sector Skills Councils (SSCs) to raise concerns around particular qualifications and their funding status and these to be escalated to the Agency's qualifications governance group – the Strategic Approvals Panel<sup>2</sup>.

Within the broader QCF offer:

- 'Full' qualifications at Level 2 will be vocational and employability<sup>3</sup> Certificates and Diplomas in the QCF<sup>4</sup>
- 'Full' qualifications at Level 3 will be vocational and employability Diplomas in the QCF<sup>5</sup>

The Agency will no longer seek SSC advice on a qualification-by-qualification basis with respect to the funding of provision. Instead, we will use the 'Qualifications Priorities' work that SSCs will undertake as part of Universal Services as a key component of the framework through which the annual Stock Take of provision will take place. However, where a SSC has confirmed that an existing competence-based QCF qualification meets the credit threshold for minimal occupational competence we will continue to identify this for existing qualifications for an interim period on the Agency's on-line list.

The core of the QCF provision confirmed for funding will continue to be vocational qualifications in the QCF with the exception of non vocational Awards, Certificates and Diplomas<sup>6</sup> at Entry and Level 1.

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<sup>1</sup> Qualifications will be confirmed for funding for a period of 12 months subject to each annual stock take review.

<sup>2</sup> Which meets on a quarterly basis and encompasses representation from AoC, AELP, HOLEX, BIS, DfE, Ofqual, SSCs, Federation of Awarding Bodies and UKCES.

<sup>3</sup> Defined by purpose and/or title.

<sup>4</sup> Fully funded as part of the level 2 entitlement.

<sup>5</sup> Fully funded as part of the level 3 entitlement.

<sup>6</sup> In the main Personal and Social Development qualifications.

Vocational Awards at Level 4 and above will continue to be confirmed for funding. The current policy of not funding Awards at Levels 2 and 3 will continue, with the exception of certain Vocational Awards which are available as part of the offer for the unemployed.

As they become available, the Agency will confirm for funding QCF maths and English qualifications (and units) as referenced in *New Challenges, New Chances*.

The qualification offer for 2012/13, in the form of a new, expanded list of QCF confirmed qualifications will be published on the Agency website (with the last date for new starts shown as 31 July 2013) in February 2012. For 2011/12 additional qualifications added to the list, these will be back-dated to 1 August 2011. Thereafter the on-line list will be updated on a monthly basis.

This brief refers only to QCF provision: the status of non-QCF qualifications confirmed for funding, including GCSE English and Maths, Functional Skills and QAA Access to HE Diploma remains unchanged.

As indicated above, the Agency will continue to focus funding on qualifications in the QCF. We will continue to work closely with colleagues in DfE to ensure that, where appropriate, we can minimise the differentiation in the publicly funded offer pre and post-19.

It is important to note that regulation, whilst a prerequisite of public funding, does not in itself guarantee public funding for a qualification. There will continue to be regulated qualifications - offered by Ofqual-recognised awarding organisations - that may not be confirmed for public funding. Where a provider is unsure of the funding status of a qualification they wish to offer they should always check with the Agency.

If you require more information on the above, please contact [peter.coady@skillsfundingagency.bis.gov.uk](mailto:peter.coady@skillsfundingagency.bis.gov.uk)