

Paper

Skills Funding Agency/YPLA Joint Communication with Sixth Form Colleges/General FE Colleges

Briefing Notes for Providers: General Further Education (FE) Colleges

1. The Young People's Learning Agency (YPLA) and Skills Funding Agency have developed the following operational processes to support the Government's ambition of aligning processes across the two organisations and the development of lead arrangements for general FE colleges.
2. Lead arrangements will mean that, in certain circumstances, you will deal with a single agency. The details provided below explain how this will relate to each stage of the business cycle for general FE colleges, including specialist art & design and land based colleges, where the provider currently has two separate funding relationships with both agencies.

Information/Briefings

3. The YPLA and Skills Funding Agency will be responsible for disseminating information and providing briefings on the funding strategy related to their own provision. Where possible briefings will be held jointly.

Funding Methodology

4. The YPLA and Skills Funding Agency will be responsible for their own Funding Methodology including the publication of Funding Requirements/Guidance. This means that as a general FE college you are likely to receive funding based on two different methodologies, one for 16-18 (and 19-24 for Learners with Learning Difficulties and Disabilities [LLDD]) and one for over 19 provision from the YPLA and Skills Funding Agency respectively. Funding methodology for those continuing learners over 19 who were between 16-18 at the start of their course will be subject to the YPLA Funding Methodology.

Allocations

5. The Skills Funding Agency will continue to issue indicative allocations and final funding statements for all 19+ provision and Apprenticeships (16-18 and 19+).

The YPLA will issue learner number and final allocation statements for all 16-18 (and 19-24 LLDD) provision.

Issuing Contracts

6. A new joint YPLA/Skills Funding Agency Financial Memorandum Part 1 will be published. A general FE college will then receive two Financial Memorandum Part 2s, one will cover 16-18 (and 19-24 LLDD) provision and one will cover 19+ provision and be signed by the YPLA and Chief Executive of Skills Funding respectively. These will be issued together from the Skills Funding Agency who will be responsible as the lead agency for contract administration for general FE colleges.

Data Collection

7. Data returns will not be affected by any lead arrangements and these will continue to be managed as a shared service by the Data Service. Work to introduce a single Individualised Learner Record (ILR) for 2011/12 will support the general move towards simplification.

Payments

8. General FE colleges will be paid through the Skills Funding Agency as a shared service between the two agencies. However, the college will receive two payments, one by the 15th of the month from the Skills Funding Agency and one by the 20th of the month from the YPLA.

In year performance/contract management

9. General FE colleges will only be subject to quarterly performance management for 16-18 Apprenticeship provision. Any dialogue regarding this should be channelled through the Skills Funding Agency. There is no other in-year performance management process for general FE colleges.

Audit

10. The principle of 'one learning provider, one funding assurer' means that only one agency will be involved in the assurance work for a particular provider type. For general FE colleges that will be the Skills Funding Agency which will take the lead for assurance matters on behalf of all others.

Intervention

11. Any dialogue or action required with respect to intervention or national standards will be led by the Skills Funding Agency.

End of year Reconciliation

12. General FE colleges will be subject to end of year reconciliation for all 19+ provision and 19+ Apprenticeships. There will be no end of year reconciliation of 16-18 (and 19-24 LLDD) funds by the YPLA.

Briefing Notes for Providers: Sixth Form Colleges

1. The YPLA and Skills Funding Agency have developed the following operational processes to support the Government's ambition of aligning processes across the two organisations and the development of lead arrangements for sixth form colleges.

2. Lead arrangements will mean that in certain circumstances you will deal with a single agency. The details provided below explain how this will relate to each stage of the business cycle for sixth form colleges where the provider currently has two separate funding relationships with both agencies.

Information/Briefings

3. The YPLA and Skills Funding Agency will be responsible for disseminating information and providing briefings on the funding strategy related to their own provision. Where possible briefings will be held jointly.

Funding Methodology

4. The YPLA and Skills Funding Agency will be responsible for their own Funding Methodology including the publication of Funding Requirements/Guidance. This means that as a sixth form college you may receive funding based on two different methodologies, one for 16-18 (and 19-24 for LLDD) and one for over 19 provision from the YPLA and Skills Funding Agency respectively. Funding methodology for those continuing learners over 19 who were between 16-18 at the start of their course will be subject to the YPLA Funding Methodology and form part of the YPLA allocation.

Allocations

5. The Skills Funding Agency will continue to issue indicative allocations and final funding statements for all 19+ provision and Apprenticeships (16-18 and 19+). The YPLA will issue learner number and final allocation statements for 16-18 provision. From 2011/12 the YPLA will include within their allocations that provision which is for over 19 continuing learners who were between 16-18 at the start of their course. A further communication will be issued to detail changes in funding allocations transferring between the Skills Funding Agency and YPLA for these continuing learners.

Issuing Contracts

6. A new joint YPLA/Skills Funding Agency Financial Memorandum Part 1 will be published. A sixth form college will then receive two Financial Memorandum Part 2s, one will cover 16-18 (and 19-24 LLDD) provision (including provision for those continuing learners who are over 19 but between the ages of 16-18 at the start of their course) and one will cover 19+ provision and be signed by the YPLA and Chief Executive of Skills Funding respectively. These will be

issued together from the YPLA who will be responsible as the lead agency for funding agreement administration for sixth form colleges.

Data Collection

7. Data returns will not be affected by any lead arrangements and these will continue to be managed as a shared service by the Data Service. Work to introduce a single ILR for 2011/12 will support the general move towards simplification.

Payments

8. Sixth form colleges will be paid through the Skills Funding Agency as a shared service between the two agencies. However, the college will receive two payments, one by the 15th of the month from the Skills Funding Agency and one on the 20th of the month from the YPLA.

In year performance/contract management

9. Those sixth form colleges with a 16-18 Apprenticeship allocation will only be subject to quarterly performance management for this provision. Any dialogue regarding this should be channelled through the YPLA. There is no other in year performance management process for sixth form colleges.

Audit

10. The principle of 'one learning provider, one funding assurer' means that only one agency will be involved in the assurance work for a particular provider type. For sixth form colleges that will be the YPLA which will take the lead for assurance matters on behalf of all others.

Intervention

11. Any dialogue or action required with respect to intervention or national standards will be led by the YPLA.

End of year Reconciliation

12. Sixth form colleges will be subject to end of year reconciliation for all 19+ provision and 19+ Apprenticeships. There will be no end year reconciliation of 16-18 funds by the YPLA.