

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

11 May 2011

Dear Colleague

Skills Funding Agency/YPLA Lead Arrangements

In the Skills Strategy, *Skills for Sustainable Growth*, published in November 2010, the Government gave a clear commitment to secure greater alignment between the pre- and post-19 systems to achieve greater efficiencies and reduce bureaucracy for colleges and training organisations. We are pleased to advise you of the arrangements to align processes across our two organisations and to introduce lead arrangements. We believe this work will lead to simplification, reduced bureaucracy and efficiencies across the sector.

Lead arrangements will mean that you deal with a single lead agency for contract and performance management, payment, audit and intervention. To respond to your requests and to ensure that you can continue to access appropriate technical expertise from both agencies during the funding allocations process, the Skills Funding Agency and YPLA will retain their existing responsibilities for the funding allocations processes. Colleges and training organisations will still be expected to deliver provision in accordance with the 16-18 and 19+ funding requirements published by the relevant agency and adhere to the performance management arrangements.

We have agreed that the YPLA will be the lead agency for sixth form colleges and the Skills Funding Agency for general FE colleges, including specialist art and design and land-based colleges. Relationships with independent private providers and Higher Education Institutions will not be affected by these arrangements.

These arrangements will come into effect for the 2011/12 academic year, which means where a funding relationship exists with both agencies, funding agreements will be issued by the lead organisation. The effectiveness of the arrangements will be reviewed at the time of the Education Funding Agency's inauguration.

The two agencies have continued to work together since we were established in April 2010 to align business processes. This includes success rates, minimum levels of performance,

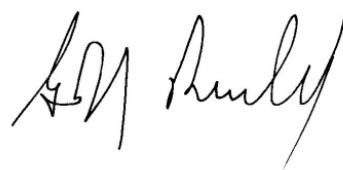
offender learning, adult learning support, European Social Fund and financial investigations and we will continue to work together where it makes sense to do so.

The YPLA and Skills Funding Agency remain committed to working together in order to minimise bureaucracy and will continue to review progress in this area through the Skills Funding Agency and Young People's Learning Agency Sixth Form, College and Training Organisation Advisory Forum. We would also welcome any suggestions and proposals that help us to achieve this goal. Please send comments to [Sarah Stear](#).

Yours sincerely



Peter Lauener
Chief Executive of YPLA



Geoff Russell
Chief Executive of Skills Funding