

FUNDING WATCH

2009/6

10 September 2009

Funding Foundation Learning (FL)

Foundation Learning - an introduction

Foundation Learning (FL) is the new name for the range of provision and learning at entry level and level 1 for all learners (14-19 year-olds and adults). All FL will be available through the Qualifications and Credit Framework (QCF). It was first piloted in 2008/09 (under the name Foundation Learning Tier (FLT)), and moved into implementation phase for 2009/10. It is expected to be fully operational by 2010/11.

The main organising structures and progression routes within the FL pilot were called *Progression Pathways*. These were frameworks for learning that were built up of qualifications drawn from entry level and level 1 of the QCF. The pilot evaluation concluded these were too rigid; they have now been flexed up so learners can pick and mix from a wider framework. The new frameworks have been renamed *Personalised Learning Programmes*.

Replacing current provision

FL will replace Entry to Employment, Foundation Learning in Further Education and First Steps learning, provision for learners with learning difficulties and/or disabilities, and provision currently known as 'pre-entry'.

FL will **not** replace adult safeguarded learning, which includes personal and community development learning, family literacy, language and numeracy, and neighbourhood learning in deprived communities.

Transition to FL

The LSC wants to ensure that FL is the principal learning offer at entry level and level 1 for both young people and adults. The target is for 30% of all foundation learning starts to be on FL frameworks by 2009/10, and for all foundation learning starts to be on FL frameworks by 2010/11. These figures are being used for planning purpose and the LSC recognise that some centres will be able to deliver FL sooner than others. They also recognise that come 2010/11 not all providers will be able to deliver FL due to for example, a lack of relevant qualifications available on the QCF. They will deal with such instances on a case by case basis and will fund provision outside FL if providers can prove that the provision is needed. The LSC will not withdraw public funding from high take-up vocationally-related qualifications outside FL until appropriate alternatives are available.

Foundation Learning - the curriculum

It is intended that qualifications 'capture' rather than 'drive' learning within FL. Providers are expected to plan a curriculum, a *Personalised Learning Programme*, based on the learner's needs and then identify qualification/s which will allow them to recognise relevant achievements. There is no overall FL 'certificate' or 'threshold' for learners to pass or fail.

The FL focuses around 3 core curriculum components:

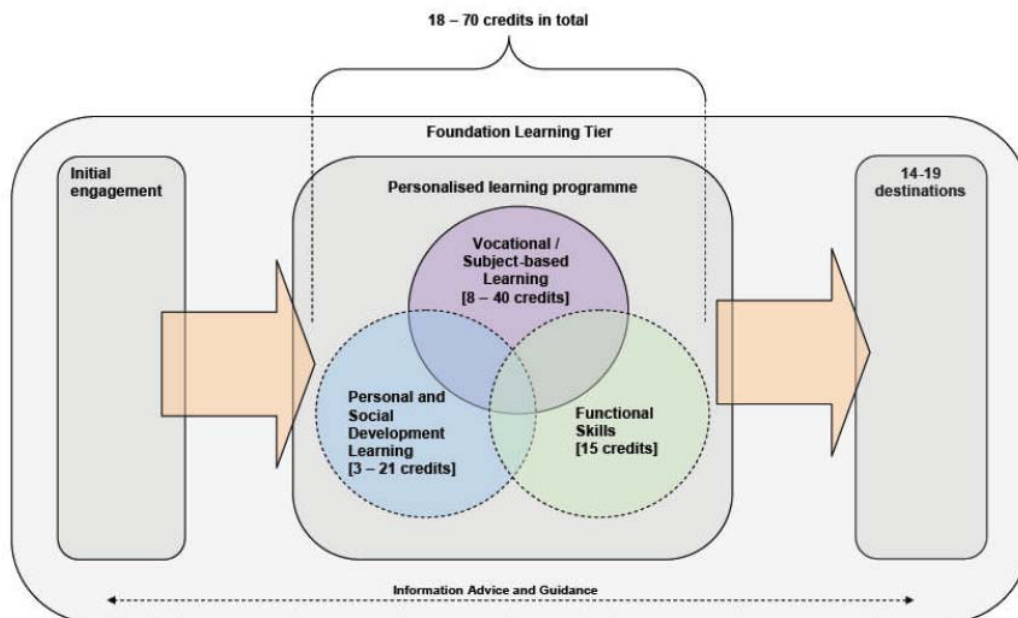
- Functional skills
- Personal and Social Development
- Subject and Vocational Knowledge and Understanding.

Learners and providers will negotiate and agree an individual learning programme. This should reflect the learner's entry point and intended destination. A programme should also comprise a wider 'wrap-around' of initial engagement and assessment, information advice and guidance (IAG), and on-going learner support.

Pilot and developmental delivery evidence from 2008/09 indicates that most FL programmes tend to be between 18 and 70 credits.

FL may just be a part of a learner's overall programme of learning, especially for those with 'spiky profiles' of attainment in different areas. For 14 to 16 year-old learners, FL programmes must either integrate or align with the national curriculum as appropriate to the individual's needs and the delivery context.

The diagram below, taken from the *LSC/QCDA Foundation Learning Tier: 14-19 Delivery Guidance for 2009/10*, is an overview of the FL model. It also shows the usual credit ranges found in the pilot (18-70 credits).



Foundation Learning - the qualifications

Learning programmes within FL can be supported by QCF qualifications of different sizes and levels. There are three sizes of qualifications in the QCF:

- awards (1 to 12 credits)
- certificates (13 to 36 credits)
- diplomas (37 credits or more)

Learners may initially work towards achieving an award, and then later, add units to convert the award to a related certificate in the same area; in the same way a certificate may be 'topped-up' to a related diploma.

QCF qualifications that are eligible and appropriate to support FL programmes are currently listed in the [Foundation Learning Qualifications Catalogue](#). It is anticipated that the QCF will have a comprehensive entry level and level 1 offer in place by the end of 2009.

For delivery in 2009/10, providers should aim to adopt QCF qualifications as soon as they become available, qualifications drawn from the National Qualifications Framework (NQF) should only be used when there are clearly identified gaps in the QCF.

Functional skills

Functional Skills qualifications (in English, maths and ICT) are award sized qualifications of 5 credits each. All 14 to 19 year-old learners will undertake all three Functional Skills except for a minority of learners with special education needs or learning difficulties and/or disabilities working at the lower end of entry level 1 for whom alternative provision may be more appropriate. The Functional Skills component of FL is therefore 15 credits except in those specific circumstances.

Personal and Social Development

Within the 2008/09 pilot this component ranged between 3 and 21 credits (award and certificate sized qualifications) for an individual learner but could be larger for learners working towards independent living and/or supported employment. The personal and social development component of FL may be accredited through a single qualification or a combination of appropriate qualifications.

Subject and Vocational Knowledge and Understanding.

Achievements can be captured in a single qualification or a combination of qualifications. Within the 2008/09 pilot the vocational/subject component ranged between 8 and 40 credits for an individual learner: with the lower end of the range applying to for example some learners with learning difficulties and/or disabilities working towards independent living; and the upper end applying to for example level 1 learners aiming for an Apprenticeship or 14-19 Diploma and/or to learning programmes designed to be delivered over more than one year.

If a learner has already achieved an element of the programme they don't have to repeat it. Learners can take an alternative from the Foundation Learning Tier Qualifications Catalogue (if possible), for example, a functional skill at the next level.

Foundation Learning - the funding

In 2009/10, FL in schools pre-16 is supported from the Dedicated Schools Grant (DSG), including the DSG element earmarked for practical and applied learning at Key Stage 4. Other sources, such as specific grants including the specialist schools grant, School Standards Grant, and School Development Grant; and the Key Stage 4 Engagement Programme (in its last year as a discrete and separately funded programme in 2009/10 pending its integration into FL) will also support FL.

In the post-16 sector, Personalised Learning Programmes are funded by the LSC through its Learner Responsive model. The rest of this paper explains the post-16 LSC funding for FL.

The FL funding methodology

The FL does not have a funding methodology of its own. It is funded just like most other LSC funded provision, i.e. through the demand-led funding methodology. This is summarised below, but the full LSC demand-led funding guidance can be found on the LSC website, <http://www.lsc.gov.uk/providers/funding-policy/demand-led-funding/>. Edexcel have published a simple guide to the LSC funding methodology which can be purchased here, <http://www.edexcel.com/Policies/Pages/GuidetoPost-16funding.aspx>. An updated version will be available in October 2009.

The FL will be funded via the 16-18 funding model, and the adult learner-responsive funding model. FL funding does not come via the employer-responsive funding. This will have no effect on the way FL is delivered.

The funding formula

The funding formula is as follows:

SLN (Standard Learner Number)
x
NFR (National Funding Rate)
x
PF (Provider Factor)
+
ALS (Additional Learner Support)
=
Funding

Standard Learner Numbers

The Standard Learner Number (SLN) is a new volume of measure that replaces the National Base Rate as the first element in the new funding formula. Every enrolment has an SLN value, based on the sum of the SLNs of the qualifications taken. SLNs are either set by the LSC (listed), or determined by the actual course duration (unlisted). The LSC publishes 16-18 and adult learner-responsive SLN values as guided learning hours (glh), called SLN glh. SLN glh is converted into SLN by dividing by 450.

$$\text{SLN glh}/450 = \text{SLN}$$

For example, the SLN for a Key Skill would be:

$$36/450 = 0.08 \text{ SLN}$$

SLN glhs for qualifications with a range of glh, will be set at the middle of the range. For example, the glh of the Level 1 BTEC Certificate in WorkSkills (50040741) is set at 110-130 glh. The SLN glh is 120. (The SLN therefore is $120/450 = 0.26$)

SLNs are assigned to an academic year, based on the start and end dates, and enrolments are added together to create a learner-level SLN. In the 16-18 and adult learner-responsive funding models the SLN is capped at 1.75 SLN per learner per year. This is equivalent to 787.5 glh.

The National Funding Rate

The National Funding Rate is a national rate per SLN. There are 4 different rates across the funding models. In 2008/09 the school sixth form rate of £2945 is 3% higher than the 16-18 college and Apprenticeship rate of £2860, which is 3% higher than the adult learner and employer rate of £2775.

Transitional rates have been set for some providers to dampen the impact of moving from the current funding formula to the demand-led formula. The rate is transitional, because each year the LSC will alter the rate so that over time all providers converge onto the National Funding Rate.

National Funding Rates in the learner-responsive funding model, 2009/10

Funding model	Funding for a key skill qualification
16-18 school sixth forms	0.08 SLN x £3007 NFR = £235.60
16-18 colleges	0.08 SLN x £2920 NFR = £228.80
Adult learner-responsive	0.08 SLN x £2817 NFR = £222.00

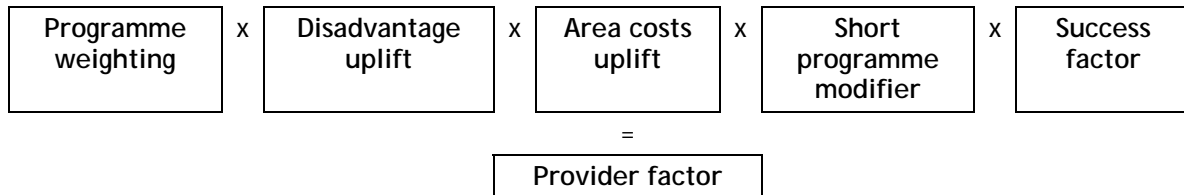
An example of unweighted funding for FL for a 16-18 year-old learner in college

Progression to skilled work or an apprenticeship	SLN glh	SLN	Unweighted funding
Vocational learning			
Certificate in Business Administration (L1)	105	0.233	£681
Award in Computerised Accounts (L1)	30	0.067	£195
Award in Business Finance (L1)	30	0.067	£195
Personal and Social Development			
Certificate in Employability and Personal Development (L1)	108	0.24	£701
Functional Skills			
Award in English (L1)	36	0.08	£234
Award in Maths (L1)	36	0.08	£234
Award in ICT (L1)	36	0.08	£234
Entitlement, only eligible if programme is 336 glh or more			
Entitlement	114	0.253	£740
Total	495	1.1	£3212

The Provider Factor

The Provider Factor is calculated individually for each provider and each funding model, and is designed to reflect the relative costs of delivery, costs associated with certain groups of learners, and quality. It is the 'weighting' that sits within the funding formula for every enrolment and allocation. The Provider Factor is calculated by multiplying five elements together which will be different for each college.

It is likely that FL learners will increase a Provider Factor, so those running FL courses may need to speak to their finance directors to ensure a fair share of the Provider Factor, which will be applied to the provider as a whole, is allocated to their department.



Additional Learning Support

Additional Learning Support (ALS) is funding for additional activities that provide direct learning support to learners. For example, it may pay for a communication support worker or additional tutor support. ALS is added as the final element in the demand-led formula.

The way ALS is allocated in 2008/09 has changed and this will impact on providers with ALS allocations and in some cases considerably. Because of this the LSC will allocate 60% of the allocation in 2008/09 using the formula, and the remaining 40% will be negotiated with the LSC.

The formulas for the 16-18 and adult learner-responsive ALS allocations are based on provider delivery in 2006/07 and are complex and different. However, both formulas are designed in such a way that the lower the prior attainment or levels of study, the higher the ALS allocation. 16-18 ALS allocations are based on point scores for English and mathematics GCSEs. Adult ALS allocations are based on previous levels of study.

The entitlement

16-18 learners attract entitlement funding which is used to pay for regular tutorials and enrichment activities that are delivered in additional to the main programmes. To be eligible for entitlement funding, learners must be studying on a full-time basis as defined by the LSC. The definition of full-time is 0.75 SLN or 336 glh per year. Providers must physically claim this on the Individualised Learner Record (ILR) as it won't be funded automatically.

Interim funding

As a transition measure, during 2009/10 only, FLT programmes can also be funded using the weekly funding methodology for E2E. Where this weekly funding is claimed there is no further funding for the qualifications delivered, for entitlement (for 16-18 year olds) or for Additional Learning Support (ALS). Learners placed with specialist providers for those with LLDD continue to be funded as described in Funding Guidance: Placement for Learners with Learning Difficulties and/or Disabilities. The intention is to work towards using the demand-led funding methodology to fund these learners programmes in future.

Useful inks

Letter to the 14-19 Partnership contacts, from the DCSF, [Implementation of the Foundation Learning Tier - for 14-19 year olds at Entry level and Level 1: actions for 14-19 Partnerships in 2009/10.](#)

LSC/QCDA guidance for 2009/10 for LAs, schools and other providers, http://readingroom.lsc.gov.uk/lsc/National/provider_delivery_guidance_august_2009_final_version.pdf.

[Progression pathway catalogue.](#)

[LSC's Funding the FLT Q+A.](#)

The LSC's [Learning Aims Database.](#)

LSC demand-led funding guidance can be found on the LSC website, <http://www.lsc.gov.uk/providers/funding-policy/demand-led-funding/>.

Edexcel's simple guide to the LSC funding methodology can be purchased here, <http://www.edexcel.com/Policies/Pages/GuidetoPost-16funding.aspx>. A new edition will be available in October 2009.

Edexcel Funding Watches are intended to help colleagues keep up to date with national developments. Information is correct at the time of writing and is offered in good faith. No liability is accepted for decisions made on the basis of information given.

Providers can access the LSC's Learning Aims Database which allows them to search for aims and view aim details at: <http://providers.lsc.gov.uk/LAD/>. The last word on funding lies with the LSC. Providers will be in contact with their LSC in relation to the planning and funding of their provision.