

Skills Funding Agency Introducing the New SFA

Richard Bell

Head of North Area Relationships

New Structure

**Skills
Funding
Agency**

- Minimise 'back-office' costs and maximises funding at 'front-line' activities
- Local management of relationships with central budgetary control, processes and policy implementation
- Less directive & more influencing nature in line with 'freedoms & flexibilities'
- Expert local knowledge and stronger relationships with providers, partners, stakeholders, employers and local labour markets
- 5 Divisions:
 - **Apprenticeships & NAS**
 - **Business Services**
 - **Capacity & Infrastructure**
 - **Delivery**
 - **Relationships**

Key Features

- Simplification
 - Freedoms and Flexibilities
 - Reduced Bureaucracy
- New Fee Remission Rules and Unit Funding
- Job Outcome Incentive Payments

Simplification

- No ring fenced budgets for individual programmes
- Responsive to local need (not targets)
- Light touch account management
- Simplified fee remission rules

Fee Remission, Funding and Delivery of Units

The Principles

- More flexible offer for those on active benefits
- Full funding for JSA and ESA (WRAG) Claimants
 - Note late changes
- Supports people preparing for employment
- Credit accumulation and progression important
- ASB Funding 19 yrs +, ESF is 18+

From Policy to Practice

- Identify suitable Qualifications and Units
- Communicate to Jobcentre Plus
- IAG must be delivered to all learners
- Regular and flexible start dates

From Policy to Practice

- Units must have a progression route
- Funded Units and Awards identified on the LAD (and LARA as we move forward)
- In total over 11,000 QCF units available
- Where unit provision is needed, and is not identified for funding, then we need to know.....and we will see what can be done to address the issue

Job Outcome Incentive Payments

JOIPs – The principles

- FE being challenged to deliver economically valuable skills required by local employers
- Partnership with Jobcentre Plus
- In year performance will influence future allocations
- Reduced bureaucracy wherever possible

JOIPs - Operating Model

- 2.5% of Adult Skills Budget allocation in 11/12
- Funding to be used to enhance services to deliver Job Outcomes
- Local plan with Jobcentre Plus setting out ambition including number of jobs outcomes expected, as well as expected volume of Jobcentre Plus referrals
- Providers expected to deliver Job Outcomes from start of Academic Year

Priorities

**Skills
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- Contributing to Government's 'Economic Growth' plans and priorities
- Responding to skill needs identified by Local Enterprise Partnerships
- Meeting the needs of employers and individuals
- Expanding Apprenticeship delivery
- Managing allocations

‘New Challenges, New Chances’

- **Consultation on reform of the FE Sector, with proposals in 8 areas:**
- **Vision for the FE landscape and shape of the sector**
- **Introducing level 3 /4 loans and sharing responsibility for investing in skills**
- **FE college and provider freedoms and flexibilities**
- **Simplifying the funding system**
- **Teaching, learning and qualifications**
- **Review of Informal Adult and Community Learning**
- **Review of literacy and numeracy provision for adults**
- **Delivering higher education and skills**
- **Deregulation and devolution**



Questions?